

FINAL ANNUAL BUDGET OF
NAMAKWA DISTRICT
MUNICIPALITY



2019/20 TO 2021/22

**MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS**

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Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
		MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity		
EEDSM	Energy Efficiency Demand Side Management	NGO	Non-Governmental organisations
EM	Executive Mayor	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GDP	Gross domestic product	PBO	Public Benefit Organisations
GDS	Gauteng Growth and Development Strategy	PHC	Provincial Health Care
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
		PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kl	kilolitre		
km	kilometre	SAPS	South African Police Service
KPA	Key Performance Area	SDBIP	Service Delivery Budget Implementation Plan
KPI	Key Performance Indicator		
kWh	kilowatt	SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

1.1 Mayor's Report



The Namakwa District Municipality (NDM) has at its core a progressive and noble value, and that is to be a centre of excellence. With its Executive and Management structure, the organisation is in its entirety geared towards the establishment of a governance structure that leads by example and is accountable to the people of Namakwa.

The global economic downturn has a ripple effect - influencing large government and private organisations as much as the man on the street. This necessitates that we act responsibly with resources at our disposal. There needs to be a constant and concerted effort to limit non-priority spending and implement cost containment measures. These must, however, never be at the expense of Service Delivery - People First.

As an institution we have proved to be determined in always pushing the bar - we have such a positive performance record but we keep striving to do better. We want to keep doing better in how we serve our people, how we shape our policies to adopt spending and operational plans with procedural integrity.

We are genuinely proud that some of our Local Municipalities have improved – in some instances considerably and in some instances marginally. Any improvement is a positive

affirmation that progress is possible in an environment committed to growth. The NDM has never allowed itself to remain in a static state - we are continuously finding ways to work smarter.

There are some base challenges we are still dealing with, like the Equitable Share formula and how municipalities are rated. As it is calculated per capita, we are pulling at the lowest end but with the widest area to cover in the country. This forces us to find creative solutions to resource allocations to ensure we have the farthest reach with the most impact.

The Namakwa District is known for its rich mineral resources. More than R5 billion has been invested into the development of Gamsberg, producing zinc by the Vedanta Group, now assessing the feasibility of building a zinc smelter and refinery. Once the smelter and refinery take shape it will support the need for the construction of rail infrastructure.

These and other prospects in the mining sector are exciting and reassuring in that it shows us that we have both the natural resources and the economic climate within which economic growth is possible.

At our coastline, the first phase of the Boegoebaai project has been completed with the second phase in its final stages. The technical feasibilities, demand flow and commodity mix studies have been conducted to determine the building of a financially viable Port. The department of Trade and Industry are busy with an application for a Special Economic Zone (SEZ) to link the Gamsberg Zinc with Boegoebaai and this will ultimately see other industries and value adding initiatives take off - a development we are looking forward to with enthusiasm.

These projects have all the potential to create much needed jobs, directly and indirectly, while setting the district up for a much greater investment profile. We have also been able to absorb, to a degree, job losses through uptake in the Agriculture and Green Energy sectors. We are constantly finding ways to protect our people from loss and securing economic activities that promote labour absorption.

It remains our pleasure and privilege to invest in Education to ensure our youth are prepared for development in the region. We have several programmes supporting reward and development programmes for learners in our rural schools. This is followed up with our well developed and expansive Skills Development programmes that will result in the skilling of hundreds of Namakwa Youth. As we create jobs, we create a pool of qualified and experienced young people to take up jobs, and not only in elementary positions.

As a Local Government Institution, we, however, acknowledge that we cannot do this on our own and appeal to Private Sector partners to come to the table.

We further have well developed interactions and coordination with other government institutions that allows us to positively invest in social programmes in our communities, including HIV/AIDS awareness, civil society engagements and dialogue, crime and substance abuse. We appreciate that healthy communities promote healthy environments within which we can all Grow South Africa Together.

EXECUTIVE MAYOR
COUNCILLOR M J CLOETE

1.2 Council Resolutions

On 31 May 2019 the Council of Namakwa District Municipality met in the Council Chambers in Springbok to table the final annual budget of the municipality for the financial year 2019/20. The Council approved and adopted the following resolutions:

1. The Council of Namakwa District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2019/20 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 10 on page 15;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 11 on page 16;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 12 on page 17; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 13 on page 18.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 14 on page 19;
 - 1.2.2. Budgeted Cash Flows as contained in Table 15 on page 21;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 16 on page 21;
 - 1.2.4. Asset management as contained in Table 17 on page 23; and
 - 1.2.5. Basic service delivery measurement as contained in Table 18 on page 25.
2. To give proper effect to the municipality's annual budget, the Council of Namakwa District Municipality approves:
 - 2.1. That cash backing is implemented through the utilisation of the municipality own reserves to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

National Treasury's MFMA Circular No. 93 and 94 was used to guide the compilation of the 2019/20 MTREF.

The main challenges experienced during the compilation of the 2019/20 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- The District Municipality being grant-dependent and a non-generating municipality;
- Wage increases for municipal staff that continue to exceed consumer inflation;
- Long outstanding government debtors by the Department of Agriculture, Forestry and Fisheries as well as Roads and Public Works;
- Looking at innovative ways of reducing the deficit on the municipality's budget and future projections;
- No clarity on an amended funding module for District Municipalities.

The following budget principles and guidelines directly informed the compilation of the 2019/20 MTREF:

- The 2018/19 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2019/20 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2019/20 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2019/20 MTREF

R thousand	Sepcial Adjustments Budget 2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
Total Operating Revenue	73 499 052	69 948 765	67 085 978	69 251 399
Total Operating Expenditure	76 904 551	73 409 405	70 995 783	74 226 721
(Surplus)/Deficit for the year	-3 405 499	-3 459 640	-3 909 805	-4 975 322
Total Capital Expenditure	3 700 140	359 000	-	-

The municipality's operating budget indicates a deficit of R 3.46 million which is mainly due to the following isolated events:

- The budget inclusion of interest of the post retirement benefit of R 1 973 242. Note that this is a non-cash item.
- The budget inclusion of current service costs for the medical aid benefit as well as the long service award benefit.
- The increase in salaries and wages at 6.1% for the 2019/20 financial and 6.65% for the two outer years whereas the equitable share increases for the 3-year period range from 3.4% to 4.3%.
- Increase in SPLUMA budget to cover for any possible litigation processes resulting from decisions taken by the SPLUMA tribunal on a regular basis.
- Increases in the fuel budget due to the significant increases in fuel prices over the previous financial year. These fuel hikes significantly impact our fuel budget and fuel facility at the banking institution.
- Inclusion of non-cash item, depreciation for R 1 563 000 which contributes to the loss indicated.
- High provision of audit fees in excess of R 2 429 000 for the 2019/20 financial year.

The above deficit is fully funded by the municipality's own funding which include investments which are sufficient. Also note that the municipality indicates a surplus of R7.14 million for the 2019/20 MTREF in A8 and SA 10 indicates that the Namakwa District Municipality's budget is fully funded for the projected forecasted years included in this MTREF.

The Municipality has two unfunded projects, amongst other, as follows:

1. Estimation of R 900 000 for the review of the Spatial Development Framework of the Namakwa District Municipality which is a legislative requirement;
2. Estimation of R 250 000 contribution for an Economic Summit to be held in the District.

The Municipality is currently seeking funding assistance from other sector departments to fund these projects.

Subsequent to the approval of the draft annual budget on 29 March 2019, no comments / recommendations were received from internal nor external stakeholders and therefore no adjustments were made.

1.4 Operating Revenue Framework

For Namakwa District Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Change in the calculation of the equitable share formula for district municipalities;
- The continuous efforts of seeking implementing agent opportunities which will generate additional revenues for the Namakwa District Municipality.

The following table is a summary of the 2019/20 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

DC6 Namakwa - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		643	671	1 025	938	938	938	938	1 124	1 185	1 249
Interest earned - external investments		1 854	1 467	1 087	3 020	3 020	3 020	3 020	2 800	2 800	2 800
Interest earned - outstanding debtors		63	72	90	60	60	60	60	60	60	60
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	5	5	5	5	–	–	–
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	236	304	9 002	9 002	9 002	9 002	6 500	4 738	4 988
Transfers and subsidies		46 946	42 857	44 792	51 376	55 523	55 523	55 523	58 321	57 297	59 081
Other revenue	2	1 347	1 291	884	2 032	4 282	4 282	4 282	944	1 007	1 074
Gains on disposal of PPE		31	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		50 883	46 593	48 181	66 432	72 829	72 829	72 829	69 749	67 086	69 251

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from Government Grants forms the major source of revenue of Namakwa District Municipality.

Operating grants and transfers totals R58.32 million in the 2019/20 financial year and increases to R59.08 million by 2021/22. The increase in revenue is as a result of a small reform of the equitable share formula for small allocation District Municipalities.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 3 Operating Transfers and Grant Receipts

DC6 Namakwa - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		36 541	40 611	42 892	51 376	50 706	50 706	55 053	56 332	58 304
Local Government Equitable Share		32 035	33 008	36 316	44 724	44 724	44 724	49 192	50 862	52 654
Local Government Financial Management Grant		1 250	1 250	1 250	1 320	1 320	1 320	1 785	2 217	2 217
Municipal Systems Improvement		827	—	—	—	—	—	—	—	—
Health Inspector's Subsidy		2 429	2 428	2 428	2 428	2 428	2 428	—	—	—
Municipal Infrastructure Grant		—	—	—	—	—	—	—	—	—
Road Asset Management Systems Grant [Schedule 5B]		—	3 925	2 898	2 904	2 234	2 234	3 076	3 253	3 433
Expanded Public Works Programme		—	—	—	—	—	—	1 000	—	—
Provincial Government:		7 953	2 801	1 450	—	4 800	4 800	1 959	763	777
Civil Defence Subsidy		148	154	350	—	—	—	247	263	277
Expanded Public Works Programme Integrated		1 000	1 000	1 000	—	—	—	—	—	—
Fire Equipment Grant		406	105	—	—	—	—	12	—	—
IDP/LDO		59	369	100	—	—	—	—	—	—
Sakrivier Bridge		—	8	—	—	—	—	—	—	—
NC Housing		—	152	—	—	—	—	—	—	—
Namaqua Sanitation Bucket System		26	—	—	—	—	—	—	—	—
Khotso Pula Nala		6 313	1 014	—	—	4 000	4 000	—	—	—
Border Fencing		—	—	—	—	—	—	—	—	—
Economic Development & Tourism		—	—	—	—	—	—	1 200	—	—
Health		—	—	—	—	500	500	—	—	—
Housing		—	—	—	—	300	300	500	500	500
Expanded Public Works Programme										
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]		—	—	—	—	—	—	—	—	—
Other grant providers:		23	—	109	—	17	17	1 309	202	—
Public Sector SETA		—	—	109	—	—	—	—	—	—
National Lottery		—	—	—	—	17	17	—	—	—
Training Reserve (SETA)		23	—	—	—	—	—	1 309	202	—
Total Operating Transfers and Grants	5	44 517	43 412	44 451	51 376	55 523	55 523	58 321	57 297	59 081
Capital Transfers and Grants										
National Government:		107	—	—	—	670	670	—	—	—
Municipal System Improvement Grant		107	—	—	—	—	—	—	—	—
Road Asset Management Systems Grant [Schedule 5B]		—	—	—	—	670	670	—	—	—
Provincial Government:		847	196	—	—	—	—	—	—	—
Civil Defence Subsidy		167	196	—	—	—	—	—	—	—
Fire Equipment Grant		680	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Public Sector SETA		—	—	—	—	—	—	—	—	—
Total Capital Transfers and Grants	5	954	196	—	—	670	670	—	—	—
TOTAL RECEIPTS OF TRANSFERS & GRANTS		45 471	43 608	44 451	51 376	56 193	56 193	58 321	57 297	59 081

Announced in the Division of Revenue Bill for 2019 there is a significant increase of 4.30% in the equitable share of the Namakwa District Municipality from 2018/19 financial year to 2019/20 financial year.

The municipality is in the ongoing process of continuously seeking for other revenue sources due to the reduction of reserves as well as the equitable share not being adequate to fund all activities of the Namakwa District Municipality.

1.5 Operating Expenditure Framework

The Namakwa District Municipality's expenditure framework for the 2019/20 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and is mainly funded by internally generated funding being cash-back reserves;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2019/20 budget and MTREF (classified per main type of operating expenditure):

Table 4 Summary of operating expenditure by standard classification item

DC6 Namakwa - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Expenditure By Type											
Employee related costs	2	27 691	25 908	30 523	38 312	39 107	39 107	39 107	40 532	42 453	44 922
Remuneration of councillors		2 868	2 829	2 970	3 110	3 231	3 231	3 231	3 381	3 584	3 799
Debt impairment	3	405	19 136	(9 345)	-	-	-	-	-	-	-
Depreciation & asset impairment	2	2 074	1 976	1 734	1 373	1 373	1 373	1 373	1 563	1 563	1 563
Finance charges		1 667	1 699	1 620	100	268	268	268	169	169	169
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8				558	522	522	522	1 164	170	176
Contracted services		7 754	2 611	7 223	14 721	19 343	19 343	19 343	14 129	10 564	10 691
Transfers and subsidies		707	1 014	843	120	345	345	345	220	220	220
Other expenditure	4, 5	16 103	14 728	10 651	11 753	12 715	12 715	12 715	12 251	12 273	12 687
Loss on disposal of PPE		-	16	1	-	-	-	-	-	-	-
Total Expenditure		59 267	69 918	46 220	70 048	76 905	76 905	76 905	73 409	70 996	74 227

The budgeted allocation for employee related costs for the 2019/20 financial year totals R40.53 million, which equals 55.22 % of the total operating expenditure, a slight increase from the previous year of 54.32%. Based on Circular 1 of 2019, salary increases have been factored into this budget at a percentage increase of 6.5 percent for the 2019/20 financial year. An annual increase of 6.65 and 6.65 percent has been included in the two outer years of the MTREF where no additional information was available.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R1.56 million for the 2019/20 financial and equates to 2.13 percent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register.

Contracted services are strictly costing that was obtained from the Department of Environmental Affairs for the Work for Water project.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 5.2 percent for 2019/20 and curbed at 3.4 and 3.5 per cent for the two outer years, indicating that significant cost savings have been already realised. Further details relating to contracted services can be seen in Table 51 MBRR SA1.

The following table gives a breakdown of the main expenditure categories for the 2019/20 financial year.

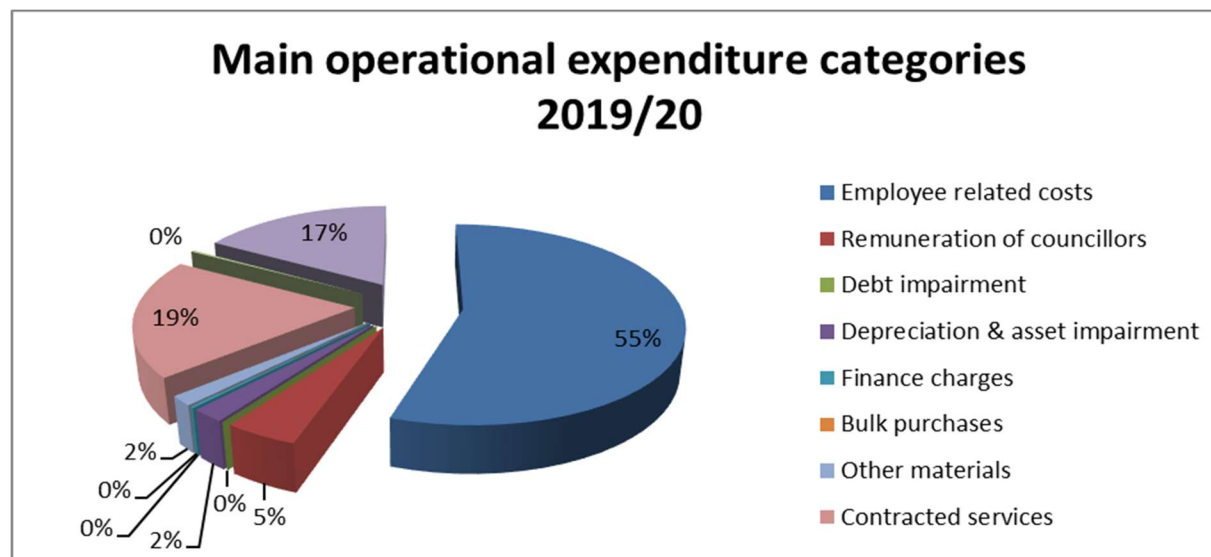


Figure 1 Main operational expenditure categories for the 2019/20 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current assets, the 2019/20 budget and MTREF provided for reasonable growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 5 Operational repairs and maintenance

DC6 Namakwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Repairs and Maintenance	8										
Employee related costs		-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	28	28	28	28	-	-	-
Contracted Services		-	-	-	567	501	501	501	664	687	711
Other Expenditure		-	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	9	-	-	-	595	529	529	529	664	687	711

The municipality's repairs and maintenance budget has increased by 7.08% from R 664 000 in 2019/20 financial year to R 711 000 in the 2021/22 financial year. This is as a result of maintenance to be done on Municipal buildings.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 6 Repairs and maintenance per asset class

DC6 Namakwa - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
EXPENDITURE OTHER ITEMS	7 3	2 074	1 976	1 734	1 969	1 902	1 902	2 228	2 250	2 275
Depreciation		2 074	1 976	1 734	1 373	1 373	1 373	1 563	1 563	1 563
Repairs and Maintenance by Asset Class		-	-	-	595	529	529	664	687	711
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	369	369	480	496	514
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	369	369	480	496	514
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	33	33	35	36	37
Intangible Assets		-	-	-	-	33	33	35	36	37
Computer Equipment		-	-	-	-	83	83	78	81	84
Furniture and Office Equipment		-	-	-	-	4	4	11	12	12
Machinery and Equipment		-	-	-	595	-	-	-	-	-
Transport Assets	-	-	-	-	39	39	60	62	64	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURE OTHER ITEMS		2 074	1 976	1 734	1 969	1 902	1 902	2 228	2 250	2 275

All repairs and maintenance is classified under other assets as the municipality's assets does not fall into any other category as provided in these schedules.

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 7 2019/20 Medium-term capital budget per vote

DC6 Namakwa - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation	2										
Vote 1 - Municipal Manager				78	15	15	15	15	60	-	-
1.1 - Council: Councillors		-	-	-	-	-	-	-	-	-	-
1.2 - Council Expenditure		-	-	30	-	-	-	-	-	-	-
1.3 - Executive Mayor		-	-	-	-	-	-	-	-	-	-
1.4 - Internal Audit and Audit Committee		-	-	-	-	-	-	-	15	-	-
1.5 - Mayor - PA		-	-	-	-	15	15	15	15	-	-
1.6 - Municipal Manager		-	-	48	-	-	-	-	-	-	-
1.7 - Municipal Manager - Admin		-	-	-	-	-	-	-	30	-	-
1.8 - Housing		-	-	-	-	-	-	-	-	-	-
1.9 - Speaker		-	-	-	-	-	-	-	-	-	-
1.10 - Speaker - PA		-	-	-	15	-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		134	84	23	2 723	2 710	2 710	2 710	84	-	-
2.1 - Administration		55	27	17	2 723	2 602	2 602	2 602	63	-	-
2.2 - Human Resources		-	-	-	-	-	-	-	-	-	-
2.3 - Council Buildings		79	57	6	-	108	108	108	21	-	-
2.4 - Council Vehicles		-	-	-	-	-	-	-	-	-	-
2.5 - Equitable Share - Admin		-	-	-	-	-	-	-	-	-	-
2.6 - Equitable Share - Electricity		-	-	-	-	-	-	-	-	-	-
2.7 - Equitable Share - Sanitation		-	-	-	-	-	-	-	-	-	-
2.8 - Equitable Share - Water		-	-	-	-	-	-	-	-	-	-
2.9 - Operational and Maintenance		-	-	-	-	-	-	-	-	-	-
Vote 3 - Manager: Economic Development		30	5	-	-	685	685	685	-	-	-
3.1 - Economic Development		30	5	-	-	-	-	-	-	-	-
3.2 - Fish Factory		-	-	-	-	-	-	-	-	-	-
3.3 - Harbour		-	-	-	-	-	-	-	-	-	-
3.4 - Project Manager SLP		-	-	-	-	-	-	-	-	-	-
3.5 - Tourism		-	-	-	-	15	15	15	-	-	-
3.6 - Working for Water		-	-	-	-	-	-	-	-	-	-
3.7 - Planning		-	-	-	-	-	-	-	-	-	-
3.8 - Council Projects		-	-	-	-	670	670	670	-	-	-
3.9 - Project Management		-	-	-	-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		121	196	-	65	275	275	275	200	-	-
4.1 - Ambulance		-	-	-	-	-	-	-	-	-	-
4.2 - Environmental Health		-	-	-	65	65	65	65	-	-	-
4.3 - Law Enforcement		-	-	-	-	-	-	-	-	-	-
4.4 - Primary Health		-	-	-	-	-	-	-	-	-	-
4.5 - Safety		121	196	-	-	210	210	210	200	-	-
Vote 5 - Manager: Finance		8	-	15	17	16	16	16	15	-	-
5.1 - Finance		8	-	15	17	16	16	16	15	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-	-	-	-
6.1 - Plant and Equipment		-	-	-	-	-	-	-	-	-	-
6.2 - Roads		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		293	284	116	2 820	3 700	3 700	3 700	359	-	-
Total Capital Expenditure		293	284	116	2 820	3 700	3 700	3 700	359	-	-

This is the capital budget included per department for the 2019/20 MTREF. The capital expenditure budget has decreased from 2018/19 to 2019/20 financial year. This decrease in the capital budget is due to the replacement of fleet in the 2018/19 financial year.

The table below provides a breakdown of capital expenditure by class and sub-class:

Table 8 Capital Expenditure per vote

DC6 Namakwa - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation	2										
Vote 1 - Municipal Manager		-	-	78	15	15	15	15	60	-	-
1.1 - Council: Councillors		-	-	-	-	-	-	-	-	-	-
1.2 - Council Expenditure		-	-	30	-	-	-	-	-	-	-
1.3 - Executive Mayor		-	-	-	-	-	-	-	-	-	-
1.4 - Internal Audit and Audit Committee		-	-	-	-	-	-	-	15	-	-
1.5 - Mayor - PA		-	-	-	-	15	15	15	15	-	-
1.6 - Municipal Manager		-	-	48	-	-	-	-	-	-	-
1.7 - Municipal Manager - Admin		-	-	-	-	-	-	-	30	-	-
1.8 - Housing		-	-	-	-	-	-	-	-	-	-
1.9 - Speaker		-	-	-	-	-	-	-	-	-	-
1.10 - Speaker - PA		-	-	-	15	-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		134	84	23	2 723	2 710	2 710	2 710	84	-	-
2.1 - Administration		55	27	17	2 723	2 602	2 602	2 602	63	-	-
2.2 - Human Resources		-	-	-	-	-	-	-	-	-	-
2.3 - Council Buildings		79	57	6	-	108	108	108	21	-	-
2.4 - Council Vehicles		-	-	-	-	-	-	-	-	-	-
2.5 - Equitable Share - Admin		-	-	-	-	-	-	-	-	-	-
2.6 - Equitable Share - Electricity		-	-	-	-	-	-	-	-	-	-
2.7 - Equitable Share - Sanitation		-	-	-	-	-	-	-	-	-	-
2.8 - Equitable Share - Water		-	-	-	-	-	-	-	-	-	-
2.9 - Operational and Maintenance		-	-	-	-	-	-	-	-	-	-
Vote 3 - Manager: Economic Development		30	5	-	-	685	685	685	-	-	-
3.1 - Economic Development		30	5	-	-	-	-	-	-	-	-
3.2 - Fish Factory		-	-	-	-	-	-	-	-	-	-
3.3 - Harbour		-	-	-	-	-	-	-	-	-	-
3.4 - Project Manager SLP		-	-	-	-	-	-	-	-	-	-
3.5 - Tourism		-	-	-	-	15	15	15	-	-	-
3.6 - Working for Water		-	-	-	-	-	-	-	-	-	-
3.7 - Planning		-	-	-	-	-	-	-	-	-	-
3.8 - Council Projects		-	-	-	-	670	670	670	-	-	-
3.9 - Project Management		-	-	-	-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		121	196	-	65	275	275	275	200	-	-
4.1 - Ambulance		-	-	-	-	-	-	-	-	-	-
4.2 - Environmental Health		-	-	-	65	65	65	65	-	-	-
4.3 - Law Enforcement		-	-	-	-	-	-	-	-	-	-
4.4 - Primary Health		-	-	-	-	-	-	-	-	-	-
4.5 - Safety		121	196	-	-	210	210	210	200	-	-
Vote 5 - Manager: Finance		8	-	15	17	16	16	16	15	-	-
5.1 - Finance		8	-	15	17	16	16	16	15	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-	-	-	-
6.1 - Plant and Equipment		-	-	-	-	-	-	-	-	-	-
6.2 - Roads		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		293	284	116	2 820	3 700	3 700	3 700	359	-	-
Total Capital Expenditure		293	284	116	2 820	3 700	3 700	3 700	359	-	-

1.7 Annual Budget Tables – Namakwa District Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2019/20 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 9 MBRR Table A1 - Budget Summary

DC6 Namakwa - Table A1 Budget Summary										
Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	1 854	1 467	1 087	3 020	3 020	3 020	3 020	2 800	2 800	2 800
Transfers recognised - operational	46 946	42 857	44 792	51 376	55 523	55 523	55 523	58 321	57 297	59 081
Other own revenue	2 084	2 270	2 302	12 036	14 286	14 286	14 286	8 628	6 989	7 370
Total Revenue (excluding capital transfers and contributions)	50 883	46 593	48 181	66 432	72 829	72 829	72 829	69 749	67 086	69 251
Employee costs	27 691	25 908	30 523	38 312	39 107	39 107	39 107	40 532	42 453	44 922
Remuneration of councillors	2 868	2 829	2 970	3 110	3 231	3 231	3 231	3 381	3 584	3 799
Depreciation & asset impairment	2 074	1 976	1 734	1 373	1 373	1 373	1 373	1 563	1 563	1 563
Finance charges	1 667	1 699	1 620	100	268	268	268	169	169	169
Materials and bulk purchases	-	-	-	558	522	522	522	1 164	170	176
Transfers and grants	707	1 014	843	120	345	345	345	220	220	220
Other expenditure	24 262	36 491	8 530	26 473	32 058	32 058	32 058	26 381	22 837	23 378
Total Expenditure	59 267	69 918	46 220	70 048	76 905	76 905	76 905	73 409	70 996	74 227
Surplus/(Deficit)	(8 384)	(23 325)	1 961	(3 615)	(4 075)	(4 075)	(4 075)	(3 661)	(3 910)	(4 975)
Transfers and subsidies - capital (monetary allocation)	324	196	1 250	-	670	670	670	200	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Capital expenditure & funds sources										
Capital expenditure	293	284	116	2 820	3 700	3 700	3 700	359	-	-
Transfers recognised - capital	153	196	26	-	670	670	670	200	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	140	89	90	2 820	3 030	3 030	3 030	159	-	-
Total sources of capital funds	293	284	116	2 820	3 700	3 700	3 700	359	-	-
Financial position										
Total current assets	38 014	10 838	13 705	11 282	10 612	10 612	10 612	14 606	10 414	7 368
Total non current assets	9 773	8 065	6 449	10 279	11 159	8 777	8 777	7 572	6 009	4 446
Total current liabilities	16 806	12 384	9 205	4 082	4 082	4 082	4 082	9 759	8 623	8 954
Total non current liabilities	18 331	16 997	16 325	19 158	19 158	19 158	19 158	19 731	19 021	19 057
Community wealth/Equity	12 650	(10 478)	(5 377)	(1 679)	(1 469)	(3 851)	(3 851)	(7 312)	(11 222)	(16 197)
Cash flows										
Net cash from (used) operating	(8 535)	(10 336)	3 482	(3 010)	(2 800)	(2 800)	(2 800)	4 320	(4 229)	(3 084)
Net cash from (used) investing	(238)	(284)	(103)	(2 820)	(3 700)	(3 700)	(3 700)	(359)	-	-
Net cash from (used) financing	(84)	(127)	(138)	(14)	(14)	(14)	(14)	-	-	-
Cash/cash equivalents at the year end	18 976	8 228	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Cash backing/surplus reconciliation										
Cash and investments available	18 977	8 229	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Application of cash and investments	(35 132)	8 510	4 773	1 303	1 300	1 300	1 300	6 791	5 448	5 556
Balance - surplus (shortfall)	54 110	(281)	6 697	9 339	8 672	8 672	8 672	7 142	4 256	1 064
Asset management										
Asset register summary (WDV)	9 772	8 064	6 449	10 279	11 159	8 777	8 777	7 572	6 009	4 446
Depreciation	2 074	1 976	1 734	1 373	1 373	1 373	1 373	1 563	1 563	1 563
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	595	529	529	529	664	687	711
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was paying much attention to managing this aspect of its finances, and consequently many of its obligations are cash-backed. However, due to the constant operating deficits as well as the minimal increases in the equitable share allocation, the municipality's reserves are depleting at a significant rate.

Table 10 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC6 Namakwa - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional										
<i>Governance and administration</i>		41 743	43 046	41 955	50 791	53 632	53 632	56 542	55 397	57 052
Executive and council		6 813	7 574	6 811	6 369	7 223	7 223	9 981	8 384	9 038
Finance and administration		34 930	35 472	34 118	44 422	46 408	46 408	46 561	47 013	48 014
Internal audit		-	-	1 025	-	-	-	-	-	-
<i>Community and public safety</i>		2 924	2 929	2 608	2 817	3 027	3 027	2 887	2 691	2 705
Community and social services		2 428	2 428	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		496	501	180	389	599	599	459	263	277
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	2 428	2 428	2 428	2 428	2 428	2 428	2 428
<i>Economic and environmental services</i>		6 540	814	4 869	12 824	16 840	16 840	10 520	8 998	9 495
Planning and development		6 540	806	4 869	2 904	6 921	6 921	3 076	3 253	3 433
Road transport		-	8	-	918	918	918	944	1 007	1 074
Environmental protection		-	-	-	9 002	9 002	9 002	6 500	4 738	4 988
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	51 207	46 789	49 432	66 432	73 499	73 499	69 949	67 086	69 251
Expenditure - Functional										
<i>Governance and administration</i>		37 367	36 356	24 927	38 578	42 589	42 589	44 759	43 175	44 885
Executive and council		21 675	19 485	18 490	16 881	18 829	18 829	21 496	20 132	21 089
Finance and administration		15 693	16 871	(4 031)	20 228	22 291	22 291	21 875	21 610	22 284
Internal audit		-	-	10 468	1 469	1 469	1 469	1 388	1 433	1 512
<i>Community and public safety</i>		9 822	8 528	8 973	10 448	10 193	10 193	10 540	11 056	11 645
Community and social services		5 001	4 338	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 751	4 189	4 533	4 940	4 743	4 743	5 020	5 287	5 582
Housing		-	-	-	-	-	-	-	-	-
Health		70	-	4 439	5 507	5 450	5 450	5 520	5 769	6 064
<i>Economic and environmental services</i>		10 441	23 394	10 500	18 967	21 922	21 922	16 064	14 621	15 434
Planning and development		10 441	23 385	8 782	9 047	11 994	11 994	8 619	8 876	9 372
Road transport		-	8	-	918	918	918	944	1 007	1 074
Environmental protection		-	-	1 718	9 002	9 010	9 010	6 500	4 738	4 988
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	1 637	1 640	1 820	2 056	2 201	2 201	2 047	2 143	2 262
Total Expenditure - Functional	3	59 267	69 918	46 220	70 048	76 905	76 905	73 409	70 996	74 227
Surplus/(Deficit) for the year		(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 7 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

Table 11 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC6 Namakwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Revenue by Vote	1									
Vote 1 - Municipal Manager		10 192	4 867	3 649	2 645	3 499	3 499	5 450	3 402	3 561
Vote 2 - Manager: Corporate Services		5 017	7 939	4 348	5 386	7 372	7 372	6 964	6 368	6 726
Vote 3 - Manager: Economic Development		9 763	3 603	10 715	11 906	15 922	15 922	9 576	7 991	8 421
Vote 4 - Manager: Environmental Health		3 797	2 838	2 778	2 817	3 027	3 027	2 887	2 691	2 705
Vote 5 - Manager: Finance		22 438	27 534	26 920	42 760	42 760	42 760	44 128	45 627	46 765
Vote 6 - Manager: Roads		-	8	1 022	918	918	918	944	1 007	1 074
Total Revenue by Vote	2	51 207	46 789	49 432	66 432	73 499	73 499	69 949	67 086	69 251
Expenditure by Vote to be appropriated	1									
Vote 1 - Municipal Manager		15 059	17 104	15 755	18 350	20 298	20 298	22 884	21 565	22 600
Vote 2 - Manager: Corporate Services		10 079	11 604	12 782	14 246	16 083	16 083	15 025	14 099	14 486
Vote 3 - Manager: Economic Development		19 067	27 409	5 016	20 104	23 202	23 202	17 166	15 757	16 622
Vote 4 - Manager: Environmental Health		9 656	8 526	5 919	10 448	10 201	10 201	10 540	11 056	11 645
Vote 5 - Manager: Finance		5 406	5 266	5 727	5 982	6 201	6 201	6 850	7 511	7 798
Vote 6 - Manager: Roads		-	8	1 022	918	918	918	944	1 007	1 074
Total Expenditure by Vote	2	59 267	69 918	46 220	70 048	76 905	76 905	73 409	70 996	74 227
Surplus/(Deficit) for the year	2	(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table 12 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

DC6 Namakwa - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		643	671	1 025	938	938	938	938	1 124	1 185	1 249
Interest earned - external investments		1 854	1 467	1 087	3 020	3 020	3 020	3 020	2 800	2 800	2 800
Interest earned - outstanding debtors		63	72	90	60	60	60	60	60	60	60
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	5	5	5	5	–	–	–
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	236	304	9 002	9 002	9 002	9 002	6 500	4 738	4 988
Transfers and subsidies		46 946	42 857	44 792	51 376	55 523	55 523	55 523	58 321	57 297	59 081
Other revenue	2	1 347	1 291	884	2 032	4 282	4 282	4 282	944	1 007	1 074
Gains on disposal of PPE		31	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		50 883	46 593	48 181	66 432	72 829	72 829	72 829	69 749	67 086	69 251
Expenditure By Type											
Employee related costs	2	27 691	25 908	30 523	38 312	39 107	39 107	39 107	40 532	42 453	44 922
Remuneration of councillors		2 868	2 829	2 970	3 110	3 231	3 231	3 231	3 381	3 584	3 799
Debt impairment	3	405	19 136	(9 345)	–	–	–	–	–	–	–
Depreciation & asset impairment	2	2 074	1 976	1 734	1 373	1 373	1 373	1 373	1 563	1 563	1 563
Finance charges		1 667	1 699	1 620	100	268	268	268	169	169	169
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8	–	–	–	558	522	522	522	1 164	170	176
Contracted services		7 754	2 611	7 223	14 721	19 343	19 343	19 343	14 129	10 564	10 691
Transfers and subsidies		707	1 014	843	120	345	345	345	220	220	220
Other expenditure	4, 5	16 103	14 728	10 651	11 753	12 715	12 715	12 715	12 251	12 273	12 687
Loss on disposal of PPE		–	16	1	–	–	–	–	–	–	–
Total Expenditure		59 267	69 918	46 220	70 048	76 905	76 905	76 905	73 409	70 996	74 227
Surplus/(Deficit)		(8 384)	(23 325)	1 961	(3 615)	(4 075)	(4 075)	(4 075)	(3 661)	(3 910)	(4 975)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		324	196	1 250	–	670	670	670	200	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R69.75 million in 2019/20 and decreases to R69.25 million by 2021/22. This represents a decrease of 0.72% from total revenue in 2019/20 to 2021/22.
2. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government has increased over the MTREF by 1.30% from 2019/20 to 2021/22.

Table 13 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

DC6 Namakwa - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital Expenditure - Functional											
Governance and administration		142	84	90	2 755	2 740	2 740	2 740	159	-	-
Executive and council		-	-	48	15	15	15	15	45	-	-
Finance and administration		142	84	10	2 740	2 725	2 725	2 725	99	-	-
Internal audit		-	-	32	-	-	-	-	15	-	-
Community and public safety		121	196	26	65	275	275	275	200	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		121	196	26	-	210	210	210	200	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	65	65	65	65	-	-	-
Economic and environmental services		30	5	-	-	670	670	670	-	-	-
Planning and development		30	5	-	-	670	670	670	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	15	15	15	-	-	-
Total Capital Expenditure - Functional	3	293	284	116	2 820	3 700	3 700	3 700	359	-	-
Funded by:											
National Government		23	-	-	-	670	670	670	-	-	-
Provincial Government		130	196	26	-	-	-	-	200	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	153	196	26	-	670	670	670	200	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		140	89	90	2 820	3 030	3 030	3 030	159	-	-
Total Capital Funding	7	293	284	116	2 820	3 700	3 700	3 700	359	-	-

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. Single-year capital expenditure has been appropriated at R 359 000 for the 2019/20 financial year and no budget for the outer years.
3. The capital programme is funded from capital and provincial grants and transfers and internally generated funds from current year surpluses.

Table 14 MBRR Table A6 - Budgeted Financial Position

DC6 Namakwa - Table A6 Budgeted Financial Position											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Current assets											
Cash		3 686	1 019	800	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Call investment deposits	1	15 291	7 209	10 669	-	-	-	-	-	-	-
Consumer debtors	1	-	-	-	-	640	640	640	673	710	748
Other debtors		19 038	2 610	2 235	640	-	-	-	-	-	-
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	-	-	-	-	-	-	-
Total current assets		38 014	10 838	13 705	11 282	10 612	10 612	10 612	14 606	10 414	7 368
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		1	1	-	-	-	-	-	-	-	-
Investment property		98	109	95	98	98	84	84	69	54	39
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	8 925	7 439	6 042	9 608	10 488	8 556	8 556	7 405	5 895	4 384
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		749	516	311	573	573	136	136	98	60	22
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		9 773	8 065	6 449	10 279	11 159	8 777	8 777	7 572	6 009	4 446
TOTAL ASSETS		47 787	18 903	20 153	21 561	21 771	19 389	19 389	22 179	16 423	11 814
LIABILITIES											
Current liabilities											
Bank overdraft	1						-	-	-	-	-
Borrowing	4	127	138	91	-	-	-	-	-	-	-
Consumer deposits							-	-	-	-	-
Trade and other payables	4	13 233	8 732	5 446	1 937	1 937	1 937	1 937	7 457	6 148	6 294
Provisions		3 446	3 514	3 668	2 145	2 145	2 145	2 145	2 302	2 475	2 659
Total current liabilities		16 806	12 384	9 205	4 082	4 082	4 082	4 082	9 759	8 623	8 954
Non current liabilities											
Borrowing		229	91	-	-	-	-	-	-	-	-
Provisions		18 101	16 906	16 325	19 158	19 158	19 158	19 158	19 731	19 021	19 057
Total non current liabilities		18 331	16 997	16 325	19 158	19 158	19 158	19 158	19 731	19 021	19 057
TOTAL LIABILITIES		35 137	29 381	25 530	23 240	23 240	23 240	23 240	29 490	27 645	28 011
NET ASSETS	5	12 650	(10 478)	(5 377)	(1 679)	(1 469)	(3 851)	(3 851)	(7 312)	(11 222)	(16 197)
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		12 637	(10 489)	(5 438)	(1 679)	(1 469)	(3 851)	(3 851)	(7 312)	(11 222)	(16 197)
Reserves	4	13	11	61	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	12 650	(10 478)	(5 377)	(1 679)	(1 469)	(3 851)	(3 851)	(7 312)	(11 222)	(16 197)

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 53 is supported by an extensive table of notes (SA3 which can be found on page 77) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 15 MBRR Table A7 - Budgeted Cash Flow Statement

DC6 Namakwa - Table A7 Budgeted Cash Flows											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		61	72	90	–	–	–	–	–	–	–
Service charges		–	–	–	–	–	–	–	–	–	–
Other revenue		5 155	131	666	11 917	14 227	14 227	14 227	8 535	6 893	7 272
Government - operating	1	48 755	42 695	44 084	51 376	55 523	55 523	55 523	58 321	57 297	59 081
Government - capital	1	–	–	–	–	670	670	670	200	–	–
Interest		1 854	1 467	1 087	3 080	3 020	3 020	3 020	2 860	2 860	2 860
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(64 285)	(54 648)	(42 409)	(69 263)	(75 627)	(75 627)	(75 627)	(65 207)	(70 890)	(71 908)
Finance charges		(75)	(54)	(36)	–	(268)	(268)	(268)	(169)	(169)	(169)
Transfers and Grants	1	–	–	–	(120)	(345)	(345)	(345)	(220)	(220)	(220)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(8 535)	(10 336)	3 482	(3 010)	(2 800)	(2 800)	(2 800)	4 320	(4 229)	(3 084)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		76	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(314)	(284)	(103)	(2 820)	(3 700)	(3 700)	(3 700)	(359)	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(238)	(284)	(103)	(2 820)	(3 700)	(3 700)	(3 700)	(359)	–	–
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		21	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		(105)	(127)	(138)	(14)	(14)	(14)	(14)	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(84)	(127)	(138)	(14)	(14)	(14)	(14)	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		(8 857)	(10 748)	3 241	(5 844)	(6 514)	(6 514)	(6 514)	3 961	(4 229)	(3 084)
Cash/cash equivalents at the year begin:	2	27 833	18 976	8 228	16 486	16 486	16 486	16 486	9 972	13 933	9 704
Cash/cash equivalents at the year end:	2	18 976	8 228	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620

Table 16 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

DC6 Namakwa - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	18 976	8 228	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Other current investments > 90 days		–	–	(0)	0	0	0	0	0	(0)	(0)
Non current assets - Investments	1	1	1	–	–	–	–	–	–	–	–
Cash and investments available:		18 977	8 229	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Application of cash and investments											
Unspent conditional transfers		3 575	3 218	–	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	(38 721)	5 281	4 712	1 303	1 300	1 300	1 300	6 791	5 448	5 556
Other provisions		–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	13	11	61	–	–	–	–	–	–	–
Total Application of cash and investments:		(35 132)	8 510	4 773	1 303	1 300	1 300	1 300	6 791	5 448	5 556
Surplus(shortfall)		54 110	(281)	6 697	9 339	8 672	8 672	8 672	7 142	4 256	1 064

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

3. It can be seen that the cash levels of the municipality are decreasing over the 2019/20 to 2021/22.
4. The municipality needs to urgently address the significant decrease in cash reserves over the MTREF period and prioritize expenditure and also look at cost cutting mechanisms.
5. The 2019/20 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
6. Cash and cash equivalents total R13.93 million as at the end of the 2019/20 financial year and decreases to R6.62 million by 2021/22.

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus

Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2019/20 to 2021/22 the surplus decreased from R7.14 million to R1.06 million.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2019/20 MTREF was fully funded due to the surplus indicated.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2019/20 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

Table 17 MBRR Table A9 - Asset Management

DC6 Namakwa - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	9 772	8 064	6 449	10 279	11 159	8 777	7 572	6 009	4 446
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	95	98	98	84	69	54	39
Other Assets		7 315	4 184	6 058	4 150	4 170	3 690	3 690	3 690	3 690
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		749	516	296	573	573	136	98	60	22
Computer Equipment		1 708	3 364	-	3 177	557	420	417	199	(19)
Furniture and Office Equipment		-	-	-	838	876	183	72	(144)	(361)
Machinery and Equipment		-	-	-	1 006	1 301	958	273	(451)	(1 175)
Transport Assets		-	-	-	437	3 585	3 305	2 953	2 601	2 249
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	9 772	8 064	6 449	10 279	11 159	8 777	7 572	6 009	4 446
EXPENDITURE OTHER ITEMS		2 074	1 976	1 734	1 969	1 902	1 902	2 228	2 250	2 275
Depreciation	7	2 074	1 976	1 734	1 373	1 373	1 373	1 563	1 563	1 563
Repairs and Maintenance by Asset Class	3	-	-	-	595	529	529	664	687	711
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	369	369	480	496	514
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	369	369	480	496	514
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	33	33	35	36	37
Intangible Assets		-	-	-	-	33	33	35	36	37
Computer Equipment		-	-	-	-	83	83	78	81	84
Furniture and Office Equipment		-	-	-	-	4	4	11	12	12
Machinery and Equipment		-	-	-	595	-	-	-	-	-
Transport Assets		-	-	-	-	39	39	60	62	64
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		2 074	1 976	1 734	1 969	1 902	1 902	2 228	2 250	2 275

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality meets both these recommendations.
3. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the municipality's strategy to address the maintenance backlog.

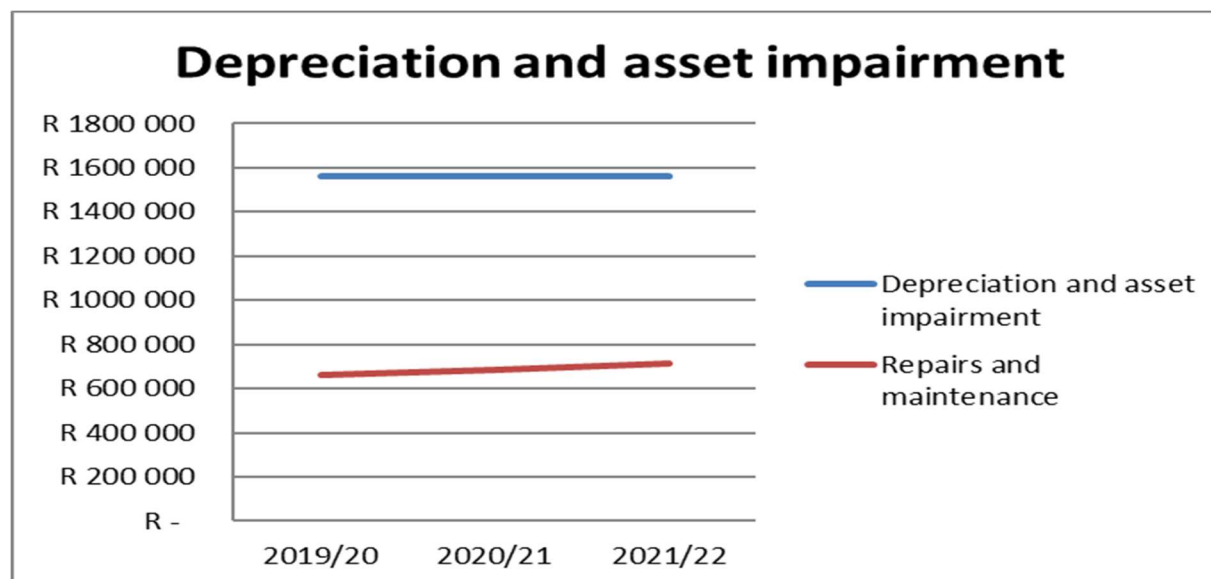


Figure 2 Depreciation in relation to repairs and maintenance over the MTREF

Table 18 MBRR Table A10 - Basic Service Delivery Measurement

DC6 Namakwa - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		-	-	-	-	-	-	-	-	-
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	-	-	-	-	-	-	-	-	-

2 Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2015) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 30 August 2018. Key dates applicable to the process were:

- **August 2018** – The Mayor of the municipality submits the new budget process and timeframes to the Council for approval;
- **August 2018** – Advertisement (website, local newspapers and notice boards) of budget process and time schedules. This advertisement should be done within 5 days of the submission of the plan to Council;
- **September 2018** – Review all external mechanisms to ensure that all possible changes with agreements which may have an impact on the next budget are considered;
- **September 2018** – Based on the financial statements of the previous year and the results of performance investigations consider the financial position and capacity of the Municipality to determine the impact thereof on future strategies and budgets;
- **October 2018** – In consultation with the Mayoral Committee, determine future priority areas for the Municipality to guide the budget allocations and IDP plans. Identify all factors which may have an impact on future budgets and determine broad financial

frameworks. Determine possible income/funding which may become available for the next three years;

- **November / December 2018** – Consultation with B-Municipalities;
- **December 2018** – Municipality derives inputs from National and Provincial Government and other bodies about factors which may influence the budget:
- **January / February 2019** – Preparation of draft IDP and capital and operational plans with costs and income projections. Incorporate in the first SDBIP. Preparation of projections of functional allocations based on past performance and adjusts with known factors, known obligations and asset maintenance requirements. Finalization of preliminary options for the IDP and budget for the next three years.
- **February 2019** – Consult Mayoral Committee about the preliminary budget, tariff adjustments and IDP medium term proposals. Mayoral Committee discusses the preliminary budget, tariff adjustments and IDP proposals in consideration with the priorities and objectives which are included in the medium term proposals. Go ahead with the finalization of the detailed operational plans and budgets. Incorporate the objectives and operational plans in the draft Service Delivery and Budget Implementation Plan. National and Provincial accountancy officials finalize any adjustments towards the projected allocations for the next three years no later than their own budgets. The finalization of detailed draft budget for the next three years in accordance with the prescribed format.
- **March 2019** – Incorporate the draft budget proposals and monthly projections of Income, expenditure, capital and of Income per Source in the draft Service Delivery and Budget Implementation Plan. Mayoral Committee receive the budget, draft SDBIP and updates to the IDP. Mayoral Committee considers the budget. Mayor submit budget, tariffs, draft SDBIP and updated IDP to Council by 31 March. The Council debates the budget and updated IDP.
- **April 2019** – Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs. Consultation with the community should take place regarding the budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP. Also meet with Provincial Treasury regarding the draft annual budget engagements.
- **May 2019** – Receive and analyze additional inputs of the communities, National and Provincial Government. Incorporate feedback from the community and National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council. Mayor submits the review budget, tariffs and IDP with consideration of the inputs of the community and Council – no later than 31 May. Municipal Council approves the IDP and budget before 31 May.
- **June 2019** – Publication of the budget, tariffs and IDP send a copy of the approved budget to the National and Provincial Government (for notification). Submit draft SDBIP and draft performance agreements of the Municipal Manager and Senior Managers to the Executive Mayor for approval. Approval of SDBIP and performance agreements.
- **July 2019** – Advertise the SDBIP and performance agreements (notification). Submission of performance agreements to the MEC of Local and Provincial Government

(special council meeting). Implementation of the budget. Start with the preparation of the next budget.

- **January 2020** – Review the budget, if necessary.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council to date.

2.1.2 Integrated Development Plan

The IDP for the Namakwa District Municipality is presented in the context of the National Development Plan which has identified various central challenges. These challenges have a direct impact on the development and growth in this area.

The central challenges identified in the plan are:

- Unemployment
- Poor quality of education
- Ineffective economic infrastructure, poorly located, under-maintained and insufficient to support sustainable growth.
- Spatial Development patterns exclude the poor from benefitting from the fruits of development.
- The economy needs transformation in terms of resource management and use.
- Ineffective public health system
- Public services are uneven and often of poor quality.
- Corrupt activities.
- Transform in coherent South African society.

To create the better life for the people of Namakwa the focus and align activities in line with priorities as identified in the National Development Plan – Vision 2030;

- Creating jobs and livelihoods;
- Expanding infrastructure;
- Transitioning to a low-carbon economy;
- Improving education and training;
- Providing quality healthcare;
- Building a capable state;
- Fighting corruption and enhancing accountability;
- Transforming society and uniting the nation.

The Namakwa District Municipality, Councillors and officials had certain work sessions in which developmental issues were discussed and conclusions reached regarding the future role and function of the District. These sessions were held during 2017 and a 5 year development vision, mission and strategic objectives for the District were formulated.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2019/20 MTREF extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability of the municipality. The following key factors and planning strategies have informed the compilation of the 2019/20 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Performance trends
- The approved 2018/19 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPis);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

The Namakwa District Municipality embark during March 2017 with a strategic session to review the priorities, challenges and programme of action for 2017 - 2022. The outcome of this strategic session was included in the 2019/20 IDP. The draft IDP was reviewed to amend any changes to the 5-year plan in the 2019/20 financial year.

Table 19 IDP Strategic Objectives

These projects include detailed information of projects on an annual basis. The annual implementation plan will be included in 2019/20 Service Delivery Budget Implementation Plan (SDBIP). These projects are sorted in terms of the municipal KPA's of Namakwa District Municipality.

Director	Department	mSCOA Project	Project Number	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 1 - Municipal Manager	1.1 - Council: Councillors	Project>Operational>Municipal Running Cost	MRC	2 853 180	2 996 421	3 155 068
Vote 1 - Municipal Manager	1.10 - Speaker - PA	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	1 496	1 547	1 601
Vote 1 - Municipal Manager	1.10 - Speaker - PA	Project>Operational>Municipal Running Cost	MRC	1 215 029	1 288 534	1 366 915
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Infrastructure Projects>New>Water Supply Infrastructure>Boreholes	00008	1 000 000	-	-
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	18 000	18 612	19 263
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Maintenance>Non-infrastructure>Preventative Maintenance>Interval Based>Furniture and Office Equipment	00023	3 156	3 263	3 377
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Maintenance>Non-infrastructure>Preventative Maintenance>Interval Based>Intangible Assets>Licences and Rights>Computer Software and Applications	00024	34 811	35 995	37 255
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Municipal Running Cost	MRC	4 329 776	4 437 264	4 551 681
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Typical Work Streams>Community Development>Community Initiatives	00011	580 000	580 000	580 000
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Typical Work Streams>Expanded Public Works Programme>Project	00300	614 625	-	-
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Typical Work Streams>Expanded Public Works Programme>Project	00301	585 375	-	-
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Project>Operational>Typical Work Streams>Protecting the Poor	00026	120 000	120 000	120 000
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	1 474	1 524	1 577
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Project>Operational>Municipal Running Cost	MRC	901 331	935 495	984 467
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Project>Operational>Typical Work Streams>AIDS/HIV, Tuberculosis and Cancer>Aids Day	00010	17 200	17 200	17 200
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Project>Operational>Typical Work Streams>AIDS/HIV, Tuberculosis and Cancer>Awareness and Information	00009	82 800	82 800	82 800
Vote 1 - Municipal Manager	1.4 - Internal Audit and Audit Committee	Project>Capital>Non-infrastructure>New>Computer Equipment	00303	15 000	-	-
Vote 1 - Municipal Manager	1.4 - Internal Audit and Audit Committee	Project>Operational>Municipal Running Cost	MRC	1 138 480	1 163 593	1 220 210
Vote 1 - Municipal Manager	1.4 - Internal Audit and Audit Committee	Project>Operational>Typical Work Streams>Financial Management Grant>Interns Compensation	00232	420 600	446 717	474 567
Vote 1 - Municipal Manager	1.5 - Mayor - PA	Project>Capital>Non-infrastructure>New>Computer Equipment	00500	15 000	-	-
Vote 1 - Municipal Manager	1.5 - Mayor - PA	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	4 209	4 352	4 504
Vote 1 - Municipal Manager	1.5 - Mayor - PA	Project>Operational>Municipal Running Cost	MRC	2 135 664	2 254 932	2 382 104
Vote 1 - Municipal Manager	1.5 - Mayor - PA	Project>Operational>Typical Work Streams>Community Development>Housing Projects	00243	722 655	764 191	808 489
Vote 1 - Municipal Manager	1.6 - Municipal Manager	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	1 440	1 489	1 541
Vote 1 - Municipal Manager	1.6 - Municipal Manager	Project>Operational>Municipal Running Cost	MRC	1 691 492	1 767 964	1 860 167
Vote 1 - Municipal Manager	1.7 - Municipal Manager - Admin	Project>Capital>Non-infrastructure>New>Computer Equipment	00303	30 000	-	-
Vote 1 - Municipal Manager	1.7 - Municipal Manager - Admin	Project>Operational>Municipal Running Cost	MRC	3 425 786	3 615 671	3 843 837
Vote 1 - Municipal Manager	1.9 - Speaker	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	1 662	1 719	1 779
Vote 1 - Municipal Manager	1.9 - Speaker	Project>Operational>Municipal Running Cost	MRC	983 694	1 026 214	1 081 919
Vote 2 - Manager: Corporate Services	2.1 - Administration	Project>Capital>Non-infrastructure>New>Computer Equipment	00306	25 000	-	-
Vote 2 - Manager: Corporate Services	2.1 - Administration	Project>Capital>Non-infrastructure>New>Machinery and Equipment	00304	33 000	-	-
Vote 2 - Manager: Corporate Services	2.1 - Administration	Project>Capital>Non-infrastructure>New>Furniture and Office Equipment	00305	5 000	-	-
Vote 2 - Manager: Corporate Services	2.1 - Administration	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00234	5 000	5 170	5 351
Vote 2 - Manager: Corporate Services	2.1 - Administration	Project>Operational>Municipal Running Cost	MRC	7 925 557	7 151 198	7 341 557
Vote 2 - Manager: Corporate Services	2.1 - Administration	Project>Operational>Typical Work Streams>District Initiatives and Assistance to Municipalities>Assistance to Local Municipalities (Capacity Building)	00233	7 000	7 238	7 491
Vote 2 - Manager: Corporate Services	2.2 - Human Resources	Project>Operational>Municipal Running Cost	MRC	2 983 835	2 746 200	2 820 753
Vote 2 - Manager: Corporate Services	2.2 - Human Resources	Project>Operational>Typical Work Streams>Capacity Building Training and Development>Centre of Excellence Multipurpose	00036	113 500	113 959	114 448
Vote 2 - Manager: Corporate Services	2.2 - Human Resources	Project>Operational>Typical Work Streams>Capacity Building Training and Development>Leadership Development	00038	111 000	111 374	111 772

Director	Department	mSCOA Project	Project Number	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 2 - Manager: Corporate Services	2.2 - Human Resources	Project>Operational>Typical Work Streams>Capacity Building Training and Development>Workshops, Seminars and Subject Matter Training	00039	137 000	107 238	107 491
Vote 2 - Manager: Corporate Services	2.2 - Human Resources	Project>Operational>Typical Work Streams>Human Resources>Employee Assistance Programme	00155	20 000	20 680	21 404
Vote 2 - Manager: Corporate Services	2.3 - Council Buildings	Project>Capital>Non-infrastructure>New>Computer Equipment	00002	15 000	-	-
Vote 2 - Manager: Corporate Services	2.3 - Council Buildings	Project>Capital>Non-infrastructure>New>Machinery and Equipment	00307	6 000	-	-
Vote 2 - Manager: Corporate Services	2.3 - Council Buildings	Project>Operational>Maintenance>Non-infrastructure>Preventative Maintenance>Condition Based>Other Assets>Operational Buildings>Municipal Offices>Buildings	00047	480 000	496 320	513 692
Vote 2 - Manager: Corporate Services	2.3 - Council Buildings	Project>Operational>Municipal Running Cost	MRC	1 470 100	1 504 443	1 540 998
Vote 2 - Manager: Corporate Services	2.4 - Council Vehicles	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	12 185	12 599	13 040
Vote 2 - Manager: Corporate Services	2.4 - Council Vehicles	Project>Operational>Maintenance>Non-infrastructure>Preventative Maintenance>Condition Based>Transport Assets	00211	60 000	62 040	64 211
Vote 2 - Manager: Corporate Services	2.4 - Council Vehicles	Project>Operational>Typical Work Streams>Asset Protection>Vehicle Management System	00210	1 700 093	1 760 070	1 823 964
Vote 3 - Manager: Economic Development	3.1 - Economic Development	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00235	3 434	3 551	3 675
Vote 3 - Manager: Economic Development	3.1 - Economic Development	Project>Operational>Municipal Running Cost	MRC	1 096 475	1 152 234	1 221 825
Vote 3 - Manager: Economic Development	3.5 - Tourism	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00236	3 434	3 551	3 675
Vote 3 - Manager: Economic Development	3.5 - Tourism	Project>Operational>Municipal Running Cost	MRC	1 703 834	1 791 631	1 902 322
Vote 3 - Manager: Economic Development	3.5 - Tourism	Project>Operational>Typical Work Streams>Tourism>Tourism Development	00241	125 000	125 850	126 755
Vote 3 - Manager: Economic Development	3.5 - Tourism	Project>Operational>Typical Work Streams>Tourism>Tourism Projects	00240	214 500	221 793	229 557
Vote 3 - Manager: Economic Development	3.6 - Working for Water	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00002	14 073	14 551	15 060
Vote 3 - Manager: Economic Development	3.6 - Working for Water	Project>Operational>Municipal Running Cost	MRC	10 200	10 200	10 200
Vote 3 - Manager: Economic Development	3.6 - Working for Water	Project>Operational>Typical Work Streams>Environmental>Alien and Invasive Trees	00001	6 475 727	4 712 849	4 962 485
Vote 3 - Manager: Economic Development	3.7 - Planning	Project>Operational>Municipal Running Cost	MRC	1 801 182	1 718 778	1 811 797
Vote 3 - Manager: Economic Development	3.8 - Council Projects	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00237	5 000	5 170	5 351
Vote 3 - Manager: Economic Development	3.8 - Council Projects	Project>Operational>Municipal Running Cost	MRC	2 169 290	2 246 545	2 368 638
Vote 3 - Manager: Economic Development	3.9 - Project Management	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00238	1 500	1 551	1 605
Vote 3 - Manager: Economic Development	3.9 - Project Management	Project>Operational>Municipal Running Cost	MRC	686 147	728 575	773 818
Vote 3 - Manager: Economic Development	3.9 - Project Management	Project>Operational>Typical Work Streams>Strategic Management and Governance>Master plan	00242	2 856 158	3 019 881	3 185 722
Vote 4 - Manager: Environmental Health	4.1 - Ambulance	Project>Operational>Municipal Running Cost	MRC	45 231	48 239	51 447
Vote 4 - Manager: Environmental Health	4.2 - Environmental Health	Project>Operational>Municipal Running Cost	MRC	5 364 289	5 605 514	5 891 790
Vote 4 - Manager: Environmental Health	4.2 - Environmental Health	Project>Operational>Typical Work Streams>Environmental>Alien and Invasive Trees	00001	17 376	17 376	17 376
Vote 4 - Manager: Environmental Health	4.2 - Environmental Health	Project>Operational>Typical Work Streams>Health and Welfare>Municipal Health Service	00005	45 000	46 530	48 159
Vote 4 - Manager: Environmental Health	4.4 - Primary Health	Project>Operational>Municipal Running Cost	MRC	48 129	51 330	54 743
Vote 4 - Manager: Environmental Health	4.5 - Safety	Project>Capital>Non-infrastructure>New>Computer Equipment	00309	100 000	-	-
Vote 4 - Manager: Environmental Health	4.5 - Safety	Project>Capital>Non-infrastructure>New>Furniture and Office Equipment	00308	100 000	-	-
Vote 4 - Manager: Environmental Health	4.5 - Safety	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Furniture and Office Equipment	00003	8 253	8 534	8 833
Vote 4 - Manager: Environmental Health	4.5 - Safety	Project>Operational>Municipal Running Cost	MRC	5 011 782	5 278 900	5 573 004
Vote 5 - Manager: Finance	5.1 - Finance	Project>Capital>Non-infrastructure>New>Computer Equipment	00500	15 000	-	-
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Maintenance>Non-infrastructure>Corrective Maintenance>Emergency>Computer Equipment	00302	5 345	5 527	5 720
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Municipal Running Cost	MRC	5 480 066	5 735 640	6 050 088
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Typical Work Streams>Financial Management Grant>Audit Outcomes	00034	31 129	32 187	33 314
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Typical Work Streams>Financial Management Grant>Financial Statements	00033	168 960	174 705	180 820
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Typical Work Streams>Financial Management Grant>Financial Systems	00032	454 080	869 519	899 952
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Typical Work Streams>Financial Management Grant>Interns Compensation	00232	114 640	122 112	130 080
Vote 5 - Manager: Finance	5.1 - Finance	Project>Operational>Typical Work Streams>Financial Management Grant>Training Minimum Competency	00031	585 591	571 760	498 267
Vote 6 - Manager: Roads	6.2 - Roads	Project>Operational>Municipal Running Cost	MRC	340 734	363 394	387 559
Vote 6 - Manager: Roads	6.2 - Roads	Project>Operational>Municipal Running Cost	MRC	603 638	643 780	686 591
				73 768 405	70 995 783	74 226 721

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the municipality;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2019/20 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 20 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

DC6 Namakwa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
Financial Viability and Sustainability	Strategic and sustainable budgeting. Grow and diversify our revenues and Value for money expenditure	A		34 880	27 534	34 079	42 760	42 760	42 760	44 128	45 627	46 765
Good Governance	Ensure accessibility and promote governance	B		10 145	12 806	7 997	8 031	8 031	8 031	12 414	9 770	10 287
Quality Living Environment	Meet service needs and address backlogs	C		-	8	1 022	918	918	918	944	1 007	1 074
Safe, Healthy and Secure Environment	Promoting the safety of citizens	D		2 924	2 838	2 778	2 817	6 817	6 817	2 887	2 691	2 705
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation	E		3 258	3 603	3 555	11 906	14 972	14 972	9 576	7 991	8 421
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	51 207	46 789	49 432	66 432	73 499	73 499	69 949	67 086	69 251

Table 21 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

DC6 Namakwa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
R thousand													
Financial Viability and Sustainability	Strategic and sustainable budgeting. Grow and diversify our revenues and Value for money expenditure	A		6 039	5 266	5 727	5 692	5 692	5 692	6 850	7 511	7 798	
Good Governance	Ensure accessibility and promote governance	B		36 391	49 575	14 284	35 693	38 550	38 550	39 956	37 807	39 349	
Quality Living Environment	Meet service needs and address backlogs	C		–	8	1 022	1 022	1 022	1 022	944	1 007	1 074	
Safe, Healthy and Secure Environment	Promoting the safety of citizens	D		9 822	8 526	9 555	10 112	14 112	14 112	10 540	11 056	11 645	
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation	E		7 015	6 543	15 632	17 529	17 529	17 529	15 119	13 614	14 360	
Allocations to other priorities													
Total Expenditure				1	59 267	69 918	46 220	70 048	76 905	76 905	73 409	70 996	74 227

Table 22 MBRR Table SA7 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

DC6 Namakwa - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Office of the Executive Mayor										
Social Transformation										
Mathematics			50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000
Facilitate of Maths, science and technology										
HIV/Aids Council										
Council functions			100 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000
Recognition of Grade 12			-							
Facilitate literacy education programmes			20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000
Back to school programme										
Facilitate literacy education programmes										
Namakwa Festival										
Support of Sport, Arts, Culture & Commemorative days			435 000	550 000	500 000	500 000	500 000	550 000	550 000	550 000
Celebrating commemorative days										
Vulnerable group support										
Support to vulnerable groups										
Food hamper and Social equipment			150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000
Delivery of food hampers and social			100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Skills Development										
Skills development for Namakwa District			300 000	300 000	300 000	300 000	300 000	300 000	300 000	300 000
Economic Development										
Port Nolloth Jetty			25 000 000	-	-	-	-	-	-	-
Upgrade Ports of Entry			10 000 000	-	-	-	-	-	-	-
Working for Water			9 532 441		9 001 568	9 001 568	9 001 568	6 500 000	4 737 600	4 987 745
Infrastructure										
RRAMS										
SPLUMA										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

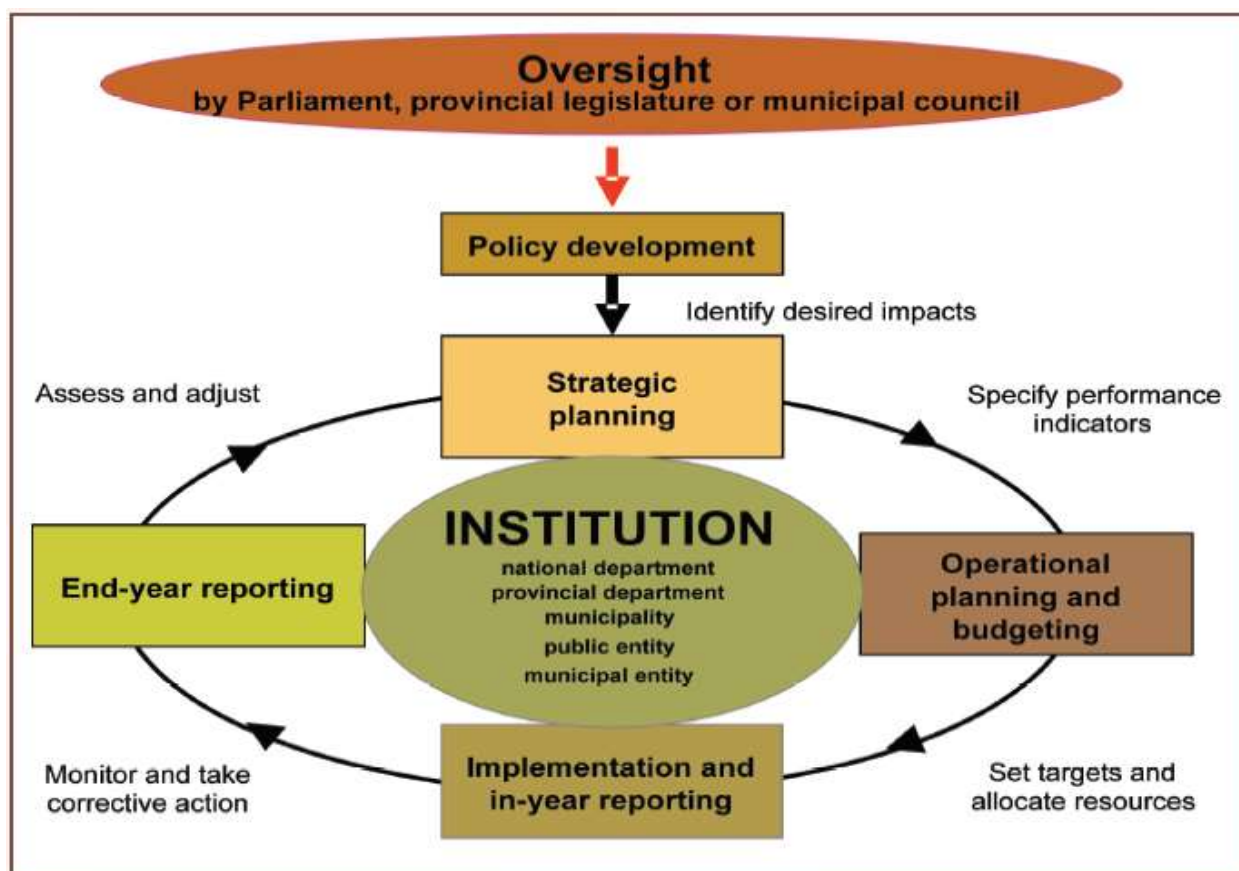


Figure 3 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

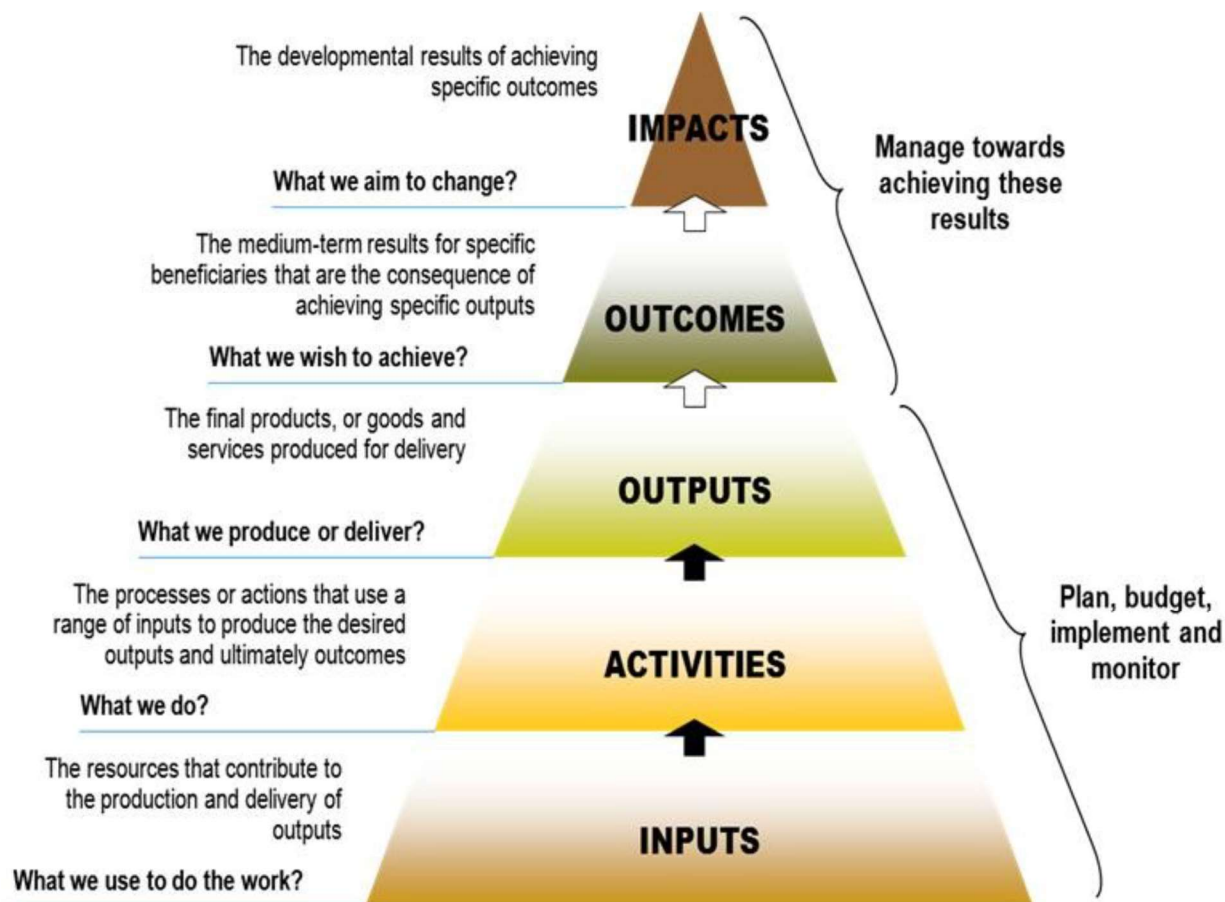


Figure 4 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 23 MBRR Table SA7 - Measurable performance objectives

DC6 Namakwa - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Office of the Executive Mayor										
Social Transformation										
Mathematics										
Facilitate of Maths, science and technology			50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000
HIV/Aids Council										
Council functions										
Recognition of Grade 12			100 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000
Facilitate literacy education programmes			-							
Back to school programme										
Facilitate literacy education programmes			20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000
Namakwa Festival										
Support of Sport, Arts, Culture & Commemorative days										
Celebrating commemorative days			435 000	550 000	500 000	500 000	500 000	550 000	550 000	550 000
Vulnerable group support										
Support to vulnerable groups										
Food hamper and Social equipment			150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000
Delivery of food hampers and social			100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Skills Development										
Skills development for Namakwa District			300 000	300 000	300 000	300 000	300 000	300 000	300 000	300 000
Economic Development										
Port Nolloth Jetty			25 000 000	-	-	-	-	-	-	-
Upgrade Ports of Entry			10 000 000	-	-	-	-	-	-	-
Working for Water			9 532 441		9 001 568	9 001 568	9 001 568	6 500 000	4 737 600	4 987 745
Infrastructure										
RRAMS										
SPLUMA										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

The following table sets out the municipality's main performance objectives and benchmarks for the 2019/20 MTREF.

Table 24 MBRR Table SA8 - Performance indicators and benchmarks

DC6 Namakwa - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Borrowing Management</u>											
Credit Rating		0	0	0	0	0	0	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.0%	2.6%	3.8%	0.2%	0.4%	0.4%	0.4%	0.2%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	45.0%	48.9%	51.9%	0.8%	1.6%	1.6%	1.6%	1.5%	1.7%	1.7%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex.cl. transfers and grants and contributions	14.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	1708.0%	858.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	2.3	0.9	1.5	2.8	2.6	2.6	2.6	1.5	1.2	0.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.3	0.9	1.5	2.8	2.6	2.6	2.6	1.5	1.2	0.8
Liquidity Ratio	Monetary Assets/Current Liabilities	1.1	0.7	1.2	2.6	2.4	2.4	2.4	1.4	1.1	0.7
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Lev el %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	37.4%	5.6%	4.6%	1.0%	0.9%	0.9%	0.9%	1.0%	1.1%	1.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		50.9%	67.0%	47.5%	18.2%	19.4%	19.4%	19.4%	53.5%	63.4%	95.1%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Volume Losses (kℓ)	-	-	-	-	-	-	-	-	-	-
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Employee costs	Employee costs/(Total Revenue - capital revenue)	54.4%	55.6%	63.4%	57.7%	53.7%	53.7%	53.7%	58.1%	63.3%	64.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	60.1%	61.7%	69.5%	62.4%	58.1%	58.1%		63.0%	68.6%	70.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.9%	0.7%	0.7%		1.0%	1.0%	1.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	7.4%	7.9%	7.0%	2.2%	2.3%	2.3%	2.3%	2.5%	2.6%	2.5%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	2.5	3.0	1.1	5.0	5.0	5.0	6.1	4.0	3.4	3.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	2962.0%	389.0%	218.1%	68.3%	68.3%	68.3%	68.3%	59.9%	59.9%	59.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	4.8	1.7	3.6	2.1	1.8	1.8	1.8	2.6	1.9	1.2

2.3.1 Performance indicators and benchmarks

2.3.1.1 Safety of Capital

- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves. Between 2019/20 and 2021/22 the gearing ratio peaked at 0 percent. This was primarily a result of the zero borrowing levels and increased funds and reserves.

2.3.1.2 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2019/20 MTREF the current ratio is 1.5, 1.2 And 0.8 for the two outer years of the MTREF. Going forward it will be necessary to increase these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2019/20 financial year the ratio was 1.5 and 1.2 and 0.8 for the two outer years of the MTREF.

2.3.1.3 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow by seeking for additional revenue sources such as implementing agency services.

2.3.1.4 Creditors Management

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice.

2.3.1.5 Other Indicators

- In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

2.4 Overview of budget related-policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Review of credit control and debt collection procedures/policies

The Collection Policy was revised by Council on 27 June 2018.

2.4.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

The asset management and investment policy were revised by Council on 27 June 2018.

2.4.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy

The Supply Chain Management Policy was revised by Council on 27 June 2018.

2.4.5 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy were revised by Council on 27 June 2018. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents that is required at any point in time and introduces time frames to achieve certain benchmarks.

2.4.6 Borrowing Policy

The municipality has approved its borrowing policy on 27 June 2018.

All the above policies are available on the municipality's website, as well as the following budget related policies:

- Funding and Reserves Policy;

2.4.7 Management and Disposal of Assets Policy

The policy relating to the management and disposal of assets are an integral part of the Supply Chain Management Policy as well as the Asset Management Policy.

The municipality has revised these policies on 27 June 2018.

2.5 Overview of budget assumptions

2.5.1 Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2018 and shall remain in force until 30 June 2020. Based on Circular 1 of 2019, an increase of 6.5 percent was determined for in the 2019/20 financial year. Outer years were determined at 6.65% respectively.

2.5.2 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.3 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 100 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2019/20 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

Table 25 Breakdown of the operating revenue over the medium-term

DC6 Namakwa - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		643	671	1 025	938	938	938	938	1 124	1 185	1 249
Interest earned - external investments		1 854	1 467	1 087	3 020	3 020	3 020	3 020	2 800	2 800	2 800
Interest earned - outstanding debtors		63	72	90	60	60	60	60	60	60	60
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	5	5	5	5	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	236	304	9 002	9 002	9 002	9 002	6 500	4 738	4 988
Transfers and subsidies		46 946	42 857	44 792	51 376	55 523	55 523	55 523	58 321	57 297	59 081
Other revenue	2	1 347	1 291	884	2 032	4 282	4 282	4 282	944	1 007	1 074
Gains on disposal of PPE		31	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		50 883	46 593	48 181	66 432	72 829	72 829	72 829	69 749	67 086	69 251

The following graph is a breakdown of the operational revenue per main category for the 2019/20 financial year.

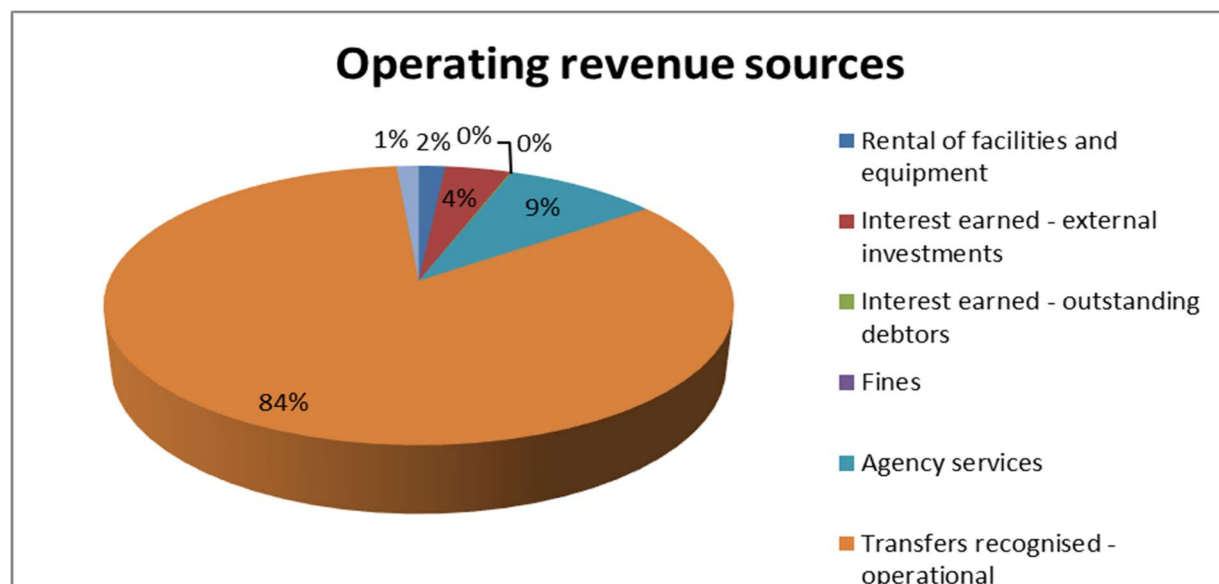


Figure 5 Breakdown of operating revenue over the 2019/20 MTREF

The municipality derives most of its operational revenue from the transfers and grants from the National Revenue fund as well as other organs of state in the form of implementing agency fees.

The tables below provide detail investment information and investment particulars by maturity.

Table 26 MBRR SA15 – Detail Investment Information

DC6 Namakwa - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		15 292	7 211	10 669	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	15 292	7 211	10 669	-	-	-	-	-	-
Entities										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		15 292	7 211	10 669	-	-	-	-	-	-

Table 27 MBRR SA16 – Investment particulars by maturity

DC6 Namakwa - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate -	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
None										-	-	-	-	-
Municipality sub-total										-		-	-	-
Entities														
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									-		-	-	-

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2019/20 medium-term capital programme:

Table 28 Sources of capital revenue over the MTREF

DC6 Namakwa - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funded by:											
National Government		23	-	-	-	670	670	670	-	-	-
Provincial Government		130	196	26	-	-	-	-	200	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	153	196	26	-	670	670	670	200	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		140	89	90	2 820	3 030	3 030	3 030	159	-	-
Total Capital Funding	7	293	284	116	2 820	3 700	3 700	3 700	359	-	-

The above table is graphically represented as follows for the 2019/20 financial year.

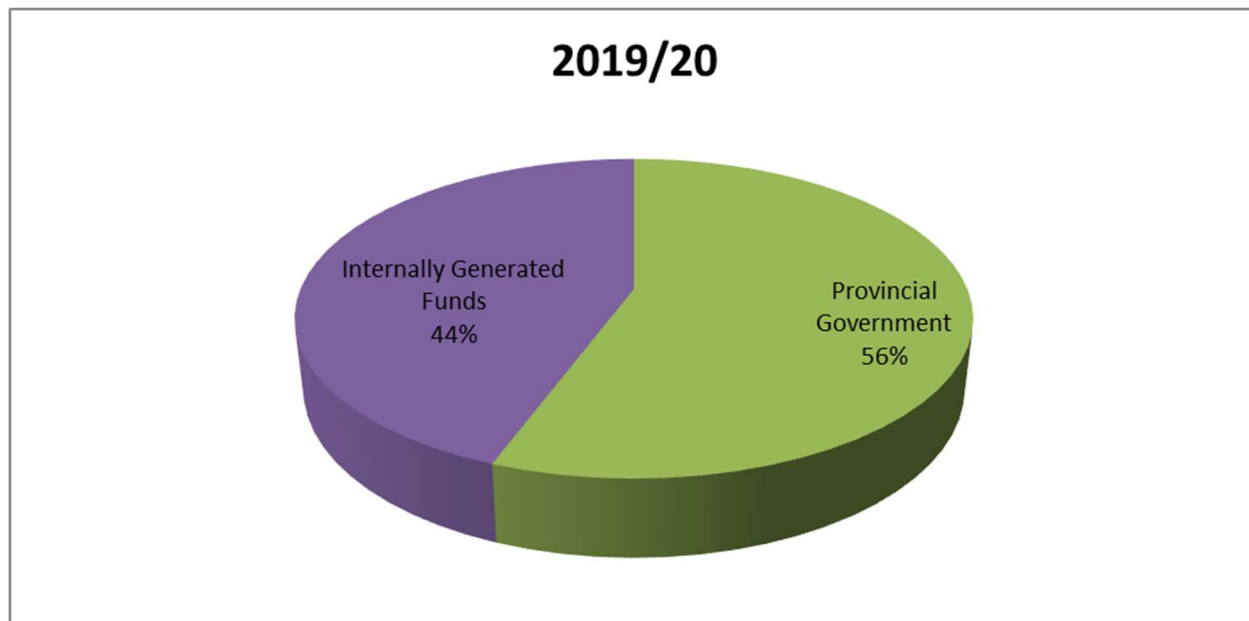


Figure 6 Sources of capital revenue for the 2019/20 financial year

The capital budget of the municipality is mainly funded out of the Provincial grants.

The capital replacement reserve will be utilised to fund the capital budget portion of internally generated funds and is fully cash-backed.

Table 29 MBRR Table SA 17 - Detail of borrowings

DC6 Namakwa - Supporting Table SA17 Borrowing										
Borrowing - Categorised by type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Parent municipality										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		229	91	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	229	91	-	-	-	-	-	-	-
Entities										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	229	91	-	-	-	-	-	-	-
Unspent Borrowing - Categorised by type		0								
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

The following graph illustrates the growth in outstanding borrowing for the 2019/20 to 2021/22 period.

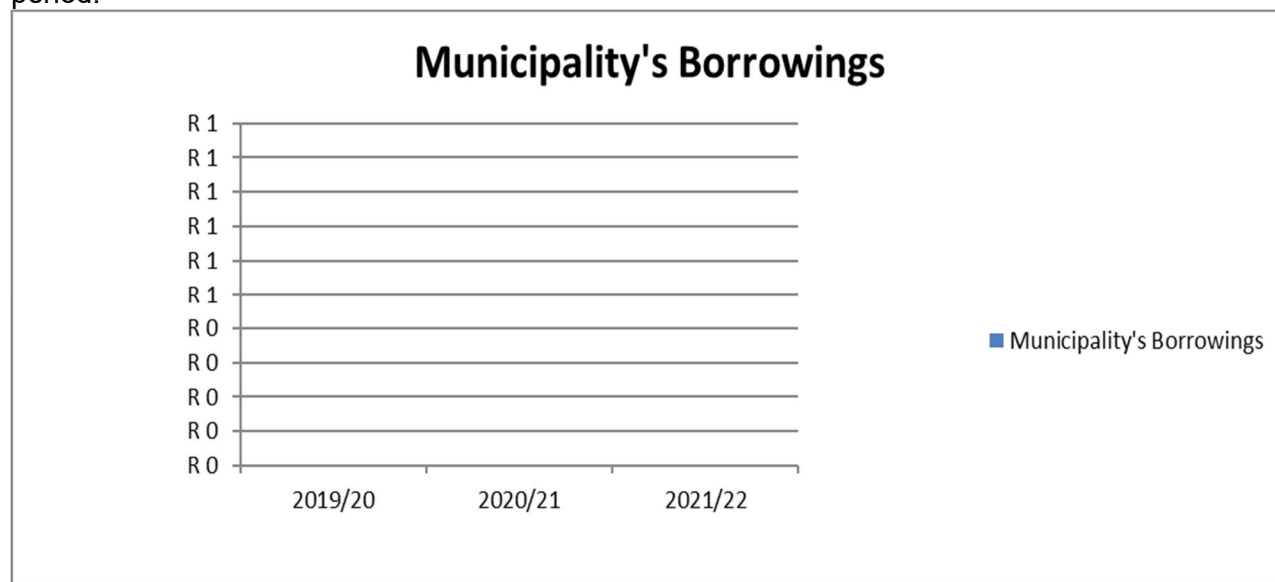


Figure 7 Growth in outstanding borrowing (long-term liabilities)

The municipality does not have any long term borrowing. The only borrowing that the municipality has is finance leases in the form of printers from Nashua and tablets from MTN.

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash-backed reserves and accumulated funds reconciliation, as discussed below.

Table 30 MBRR Table SA 18 - Capital transfers and grants receipts

DC6 Namakwa - Supporting Table SA18 Transfers and grant receipts										
Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Transfers and Grants										
National Government:		107	-	-	-	670	670	-	-	-
Municipal System Improvement Grant		107	-	-	-	-	-	-	-	-
Road Asset Management Systems Grant [Schedule 5B]		-	-	-	-	670	670	-	-	-
Provincial Government:		847	196	-	-	-	-	-	-	-
Civil Defence Subsidy		167	196	-	-	-	-	-	-	-
Fire Equipment Grant		680	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Public Sector SETA		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	954	196	-	-	670	670	-	-	-

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 31 MBRR Table A7 - Budget cash flow statement

DC6 Namakwa - Table A7 Budgeted Cash Flows											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		61	72	90	–	–	–	–	–	–	–
Service charges		–	–	–	–	–	–	–	–	–	–
Other revenue		5 155	131	666	11 917	14 227	14 227	14 227	8 535	6 893	7 272
Government - operating	1	48 755	42 695	44 084	51 376	55 523	55 523	55 523	58 321	57 297	59 081
Government - capital	1	–	–	–	–	670	670	670	200	–	–
Interest		1 854	1 467	1 087	3 080	3 020	3 020	3 020	2 860	2 860	2 860
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(64 285)	(54 648)	(42 409)	(69 263)	(75 627)	(75 627)	(75 627)	(65 207)	(70 890)	(71 908)
Finance charges		(75)	(54)	(36)	–	(268)	(268)	(268)	(169)	(169)	(169)
Transfers and Grants	1	–	–	–	(120)	(345)	(345)	(345)	(220)	(220)	(220)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(8 535)	(10 336)	3 482	(3 010)	(2 800)	(2 800)	(2 800)	4 320	(4 229)	(3 084)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		76	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(314)	(284)	(103)	(2 820)	(3 700)	(3 700)	(3 700)	(359)	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(238)	(284)	(103)	(2 820)	(3 700)	(3 700)	(3 700)	(359)	–	–
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		21	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		(105)	(127)	(138)	(14)	(14)	(14)	(14)	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(84)	(127)	(138)	(14)	(14)	(14)	(14)	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		(8 857)	(10 748)	3 241	(5 844)	(6 514)	(6 514)	(6 514)	3 961	(4 229)	(3 084)
Cash/cash equivalents at the year begin:	2	27 833	18 976	8 228	16 486	16 486	16 486	16 486	9 972	13 933	9 704
Cash/cash equivalents at the year end:	2	18 976	8 228	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620

The above table shows that cash and cash equivalents of the municipality decrease between the 2019/20 to 2021/22 financial year moving from a positive cash balance of R13.93 million to R9.70 million with the approved 2020/21 MTREF.

In the 2021/22 forecasts, the cash and cash equivalents is expected to decrease to R 6.62 million.

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with

section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 32 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

DC6 Namakwa - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	18 976	8 228	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Other current investments > 90 days		-	-	(0)	0	0	0	0	0	(0)	(0)
Non current assets - Investments	1	1	1	-	-	-	-	-	-	-	-
Cash and investments available:		18 977	8 229	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Application of cash and investments											
Unspent conditional transfers		3 575	3 218	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(38 721)	5 281	4 712	1 303	1 300	1 300	1 300	6 791	5 448	5 556
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	13	11	61	-	-	-	-	-	-	-
Total Application of cash and investments:		(35 132)	8 510	4 773	1 303	1 300	1 300	1 300	6 791	5 448	5 556
Surplus(shortfall)		54 110	(281)	6 697	9 339	8 672	8 672	8 672	7 142	4 256	1 064

From the above table it can be seen that the cash and investments available total R7.14 million in the 2019/20 financial year and decreases to R4.26 million by 2020/21, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The reserve funds are fully cash-backed. The level of cash-backing is directly informed by the municipality's cash backing policy.

It can be concluded that the municipality has a surplus against the cash backed and accumulated surpluses reconciliation.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

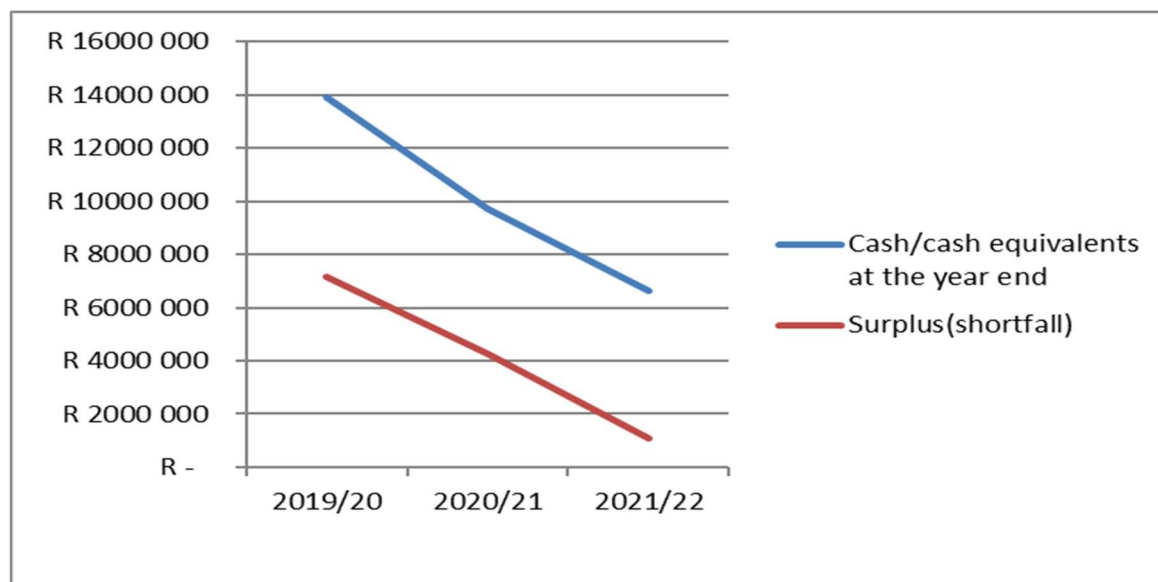


Figure 8 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 33 MBRR SA10 – Funding compliance measurement

DC6 Namakwa Supporting Table SA10 Funding measurement												
Description	MFMA section	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	18 976	8 228	11 469	10 642	9 972	9 972	9 972	13 933	9 704	6 620
Cash + investments at the yr end less applications - R'000	18(1)b	2	54 110	(281)	6 697	9 339	8 672	8 672	8 672	7 142	4 256	1 064
Cash year end/monthly employee/supplier payments	18(1)b	3	4.8	1.7	3.6	2.1	1.8	1.8	1.8	2.6	1.9	1.2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	254.1%	8.9%	32.8%	99.0%	99.6%	99.6%	99.6%	98.9%	98.6%	98.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c,19	8	107.1%	100.0%	88.1%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								102.6%	100.4%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(86.3%)	(14.4%)	(71.4%)	0.0%	0.0%	0.0%	5.2%	5.4%	5.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	6.2%	5.0%	6.2%	7.8%	9.0%	11.7%	16.2%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2.6.5.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2019/20 MTREF shows R13.93 million, R9.70 million and R6.62 million for each respective financial year.

2.6.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 16, on page 21. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.3 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2019/20 MTREF the indicative outcome is a deficit of R3.46 million, R3.91 million and R4.98 million.

2.6.5.4 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Namakwa District Municipality has budgeted for all transfers.

2.6.5.5 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 47 MBRR SA34C on page 69.

2.6.5.6 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 46 MBRR SA34b on page 68.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 34 MBRR SA19 - Expenditure on transfers and grant programmes

DC6 Namakwa - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		36 286	39 408	42 892	51 376	49 142	49 142	55 053	56 332	58 304
Local Government Equitable Share		32 035	33 008	36 316	44 724	44 724	44 724	49 192	50 862	52 654
Local Government Financial Management Grant [Schedule 10]		1 296	1 250	1 250	1 320	1 320	1 320	1 785	2 217	2 217
Municipal Systems Improvement		527	16	–	–	–	–	–	–	–
Health Inspector's Subsidy		2 429	2 428	2 428	2 428	2 428	2 428	–	–	–
Municipal Infrastructure Grant		–	–	–	–	–	–	–	–	–
Road Asset Management Systems Grant [Schedule 10]		–	2 706	2 898	2 904	670	670	3 076	3 253	3 433
Expanded Public Works Programme		–	–	–	–	–	–	1 000	–	–
Provincial Government:		7 999	2 686	1 450	–	4 800	4 800	1 959	763	777
Civil Defence Subsidy		115	109	350	–	–	–	247	263	277
Expanded Public Works Programme Integrated Grant		1 079	930	1 000	–	–	–	–	–	–
Fire Equipment Grant		406	105	–	–	–	–	12	–	–
IDP/LDO		59	369	100	–	–	–	–	–	–
Sakrivier Bridge		–	8	–	–	–	–	–	–	–
NC Housing		–	152	–	–	–	–	–	–	–
Namaqua Sanitation Bucket System		26	–	–	–	–	–	–	–	–
Khotso Pula Nala		6 313	1 014	–	–	4 000	4 000	–	–	–
Border Fencing		–	–	–	–	–	–	–	–	–
Economic Development & Tourism		–	–	–	–	–	–	1 200	–	–
Health		–	–	–	–	500	500	–	–	–
Housing		–	–	–	–	300	300	500	500	500
Expanded Public Works Programme		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		21	–	109	–	17	17	1 309	202	–
Public Sector SETA		–	–	109	–	–	–	–	–	–
National Lottery		–	–	–	–	17	17	–	–	–
Training Reserve (SETA)		21	–	–	–	–	–	1 309	202	–
Total operating expenditure of Transfers and Grants		44 306	42 094	44 451	51 376	53 959	53 959	58 321	57 297	59 081
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	–	17	17	–	–	–
Municipal System Improvement Grant		–	–	–	–	–	–	–	–	–
Road Asset Management Systems Grant [Schedule 10]		–	–	–	–	17	17	–	–	–
Provincial Government:		–	196	–	–	–	–	200	–	–
Civil Defence Subsidy		–	196	–	–	–	–	200	–	–
Fire Equipment Grant		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Public Sector SETA		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		–	196	–	–	17	17	200	–	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		44 306	42 290	44 451	51 376	53 975	53 975	58 521	57 297	59 081

Table 35 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

DC6 Namakwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		36 541	40 611	42 892	51 376	50 706	50 706	55 053	56 332	58 304
Conditions met - transferred to revenue		36 541	40 611	42 892	51 376	50 706	50 706	55 053	56 332	58 304
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		2 215	(214)	341	-	-	-	-	-	-
Current year receipts		7 953	2 801	1 450	-	4 800	4 800	1 959	763	777
Conditions met - transferred to revenue		10 382	2 246	1 791	-	4 800	4 800	1 959	763	777
Conditions still to be met - transferred to liabilities		(214)	341	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		23	-	109	-	17	17	1 309	202	-
Conditions met - transferred to revenue		23	-	109	-	17	17	1 309	202	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		46 946	42 857	44 792	51 376	55 523	55 523	58 321	57 297	59 081
Total operating transfers and grants - CTBM	2	(214)	341	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		107	-	-	-	670	670	-	-	-
Conditions met - transferred to revenue		107	-	-	-	670	670	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		(801)	-	26	-	-	-	200	-	-
Current year receipts		847	196	-	-	-	-	-	-	-
Conditions met - transferred to revenue		47	196	26	-	-	-	200	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		153	196	26	-	670	670	200	-	-
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		47 099	43 053	44 819	51 376	56 193	56 193	58 521	57 297	59 081
TOTAL TRANSFERS AND GRANTS - CTBM		(214)	341	-	-	-	-	-	-	-

2.8 Councillor and employee benefits

Table 36 MBRR SA22 - Summary of Councillor and staff benefits

DC6 Namakwa - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		2 162	2 291	2 611	2 536	2 536	2 536	2 668	2 828	2 998
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	446	473	502
Cellphone Allowance		-	154	167	145	266	266	266	282	299
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		706	383	192	429	429	429	-	-	-
Sub Total - Councillors		2 868	2 829	2 970	3 110	3 231	3 231	3 381	3 584	3 799
% increase	4		(1.4%)	5.0%	4.7%	3.9%	-	4.6%	6.0%	6.0%
Senior Managers of the Municipality										
Basic Salaries and Wages		2 779	6 125	3 200	3 370	3 401	3 401	3 630	3 871	4 128
Pension and UIF Contributions		383	991	452	487	492	492	517	551	587
Medical Aid Contributions		109	-	134	144	143	143	157	168	179
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	417	183	198	200	200	213	228	243
Motor Vehicle Allowance	3	516	691	483	492	495	495	501	501	501
Cellphone Allowance	3	38	48	42	42	42	42	42	42	42
Housing Allowances	3	34	138	25	25	25	25	25	25	25
Other benefits and allowances	3	263	-	100	100	19	19	50	50	50
Payments in lieu of leave		109	-	-	-	-	-	-	-	-
Long service awards		-	131	57	51	111	111	-	-	-
Post-retirement benefit obligations	6	-	(36)	661	730	730	730	643	643	643
Sub Total - Senior Managers of Municipality		4 231	8 506	5 337	5 639	5 657	5 657	5 778	6 078	6 398
% increase	4		101.1%	(37.3%)	5.7%	0.3%	-	2.2%	5.2%	5.3%
Other Municipal Staff										
Basic Salaries and Wages		15 475	12 533	13 038	19 468	20 991	20 991	21 576	23 001	24 521
Pension and UIF Contributions		2 589	1 917	3 040	3 345	3 174	3 174	3 419	3 638	3 872
Medical Aid Contributions		737	-	2 290	3 627	3 195	3 195	3 866	4 123	4 397
Overtime		428	259	114	239	218	218	150	150	150
Performance Bonus		-	816	1 251	1 379	1 232	1 232	1 405	1 499	1 598
Motor Vehicle Allowance	3	1 998	1 364	2 071	1 956	2 198	2 198	1 948	1 948	1 948
Cellphone Allowance	3	24	87	112	93	131	131	130	130	130
Housing Allowances	3	581	409	585	595	555	555	595	595	595
Other benefits and allowances	3	965	5	157	358	107	107	250	257	264
Payments in lieu of leave		183	-	-	-	-	-	-	-	-
Long service awards		116	-	102	120	156	156	323	251	248
Post-retirement benefit obligations	6	365	13	2 426	1 493	1 493	1 493	1 092	784	801
Sub Total - Other Municipal Staff		23 460	17 402	25 187	32 673	33 450	33 450	34 753	36 375	38 524
% increase	4		(25.8%)	44.7%	29.7%	2.4%	-	3.9%	4.7%	5.9%
Total Parent Municipality		30 559	28 737	33 493	41 422	42 338	42 338	43 912	46 037	48 720
			(6.0%)	16.5%	23.7%	2.2%	-	3.7%	4.8%	5.8%

Table 37 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

DC6 Namakwa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)							
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	Total Package
Rand per annum				1.			2.
Councillors	3						
Speaker	4		701 932	–	44 400		746 332
Chief Whip			483 592	–	249 997		733 589
Executive Mayor			617 451	–	–		617 451
Deputy Executive Mayor			–	–	–		–
Executive Committee			160 683	–	51 501		212 184
Total for all other councillors			704 281	–	366 941		1 071 223
Total Councillors	8	–	2 667 940	–	712 840		3 380 779
Senior Managers of the Municipality	5						
Municipal Manager (MM)			921 852	171 230	212 264	47 400	1 352 747
Chief Finance Officer			979 287	166 991	144 264	47 400	1 337 942
Director: Corporate Services			873 532	113 083	144 264	47 400	1 178 279
Director: Economic Development, Tourism and Projects			854 992	222 969	116 890	71 240	1 266 090
Total Senior Managers of the Municipality	8,10	–	3 629 664	674 273	617 682	213 440	5 135 059
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	6 297 603	674 273	1 330 521	213 440	8 515 838

Table 38 MBRR SA24 – summary of personnel numbers

DC6 Namakwa - Supporting Table SA24 Summary of personnel numbers										
Summary of Personnel Numbers	Ref	2017/18			Current Year 2018/19			Budget Year 2019/20		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		15	2	13	15	2	13	15	2	13
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	4	3	1	4	3	1	4	3	1
Other Managers	7	4	4	-	4	4	-	4	4	-
Professionals		4	4	-	23	9	14	23	9	14
Finance		2	2	-	15	2	13	15	2	13
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		2	2	-	-	-	-	-	-	-
Roads		-	-	-	4	3	1	4	3	1
Electricity		-	-	-	4	4	-	4	4	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Technicians		9	9	-	9	9	-	9	9	-
Finance		2	2	-	2	2	-	2	2	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		2	2	-	2	2	-	2	2	-
Roads		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		5	5	-	5	5	-	5	5	-
Clerks (Clerical and administrative)		48	28	20	48	28	20	48	28	20
Service and sales workers		5	4	1	5	4	1	5	4	1
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		-	-	-	-	-	-	-	-	-
Elementary Occupations		4	3	-	4	3	-	4	3	-
TOTAL PERSONNEL NUMBERS	9	93	57	35	112	62	49	112	62	49
% increase					20.4%	8.8%	40.0%	-	-	-
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10	10	10	-	10	10	-	10	10	-
Human Resources personnel headcount	8, 10	4	4	-	4	4	-	4	4	-

2.9 Monthly targets for revenue, expenditure and cash flow

Table 39 MBRR SA25 - Budgeted monthly revenue and expenditure

DC6 Namakwa - Supporting Table SA25 Budgeted monthly revenue and expenditure																
Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		94	94	94	94	94	94	94	94	94	94	94	94	1 124	1 185	1 249
Interest earned - external investments		233	233	233	233	233	233	233	233	233	233	233	233	2 800	2 800	2 800
Interest earned - outstanding debtors		5	5	5	5	5	5	5	5	5	5	5	5	60	60	60
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		542	542	542	542	542	542	542	542	542	542	542	542	6 500	4 738	4 988
Transfers and subsidies		4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	58 321	57 297	59 081
Other revenue		-	-	-	-	-	-	-	-	-	-	-	944	944	1 007	1 074
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		5 734	5 734	5 734	5 734	5 734	5 734	5 734	5 734	5 734	5 734	5 734	6 678	69 749	67 086	69 251
Expenditure By Type																
Employee related costs		3 378	3 378	3 378	3 378	3 378	3 378	3 378	3 378	3 378	3 378	3 378	3 378	40 532	42 453	44 922
Remuneration of councillors		282	282	282	282	282	282	282	282	282	282	282	282	3 381	3 584	3 799
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		130	130	130	130	130	130	130	130	130	130	130	130	1 563	1 563	1 563
Finance charges		14	14	14	14	14	14	14	14	14	14	14	14	169	169	169
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		97	97	97	97	97	97	97	97	97	97	97	97	1 164	170	176
Contracted services		1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	14 129	10 564	10 691
Transfers and subsidies		18	18	18	18	18	18	18	18	18	18	18	18	220	220	220
Other expenditure		1 021	1 021	1 021	1 021	1 021	1 021	1 021	1 021	1 021	1 021	1 021	1 021	12 251	12 273	12 687
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	73 409	70 996	74 227
Surplus/(Deficit)																
		(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	561	(3 661)	(3 910)	(4 975)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	-	200	200	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	761	(3 461)	(3 910)	(4 975)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	(384)	761	(3 461)	(3 910)	(4 975)

Table 40 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)**DC6 Namakwa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)**

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand																
Revenue by Vote																
Vote 1 - Municipal Manager		454	454	454	454	454	454	454	454	454	454	454	454	5 450	3 402	3 561
Vote 2 - Manager: Corporate Services		580	580	580	580	580	580	580	580	580	580	580	580	6 964	6 368	6 726
Vote 3 - Manager: Economic Development		798	798	798	798	798	798	798	798	798	798	798	798	9 576	7 991	8 421
Vote 4 - Manager: Environmental Health		224	224	224	224	224	224	224	224	224	224	224	424	2 887	2 691	2 705
Vote 5 - Manager: Finance		3 677	3 677	3 677	3 677	3 677	3 677	3 677	3 677	3 677	3 677	3 677	3 677	44 128	45 627	46 765
Vote 6 - Manager: Roads		79	79	79	79	79	79	79	79	79	79	79	79	944	1 007	1 074
Total Revenue by Vote		5 812	5 812	5 812	5 812	5 812	5 812	5 812	5 812	5 812	5 812	5 812	6 012	69 949	67 086	69 251
Expenditure by Vote to be appropriated																
Vote 1 - Municipal Manager		1 907	1 907	1 907	1 907	1 907	1 907	1 907	1 907	1 907	1 907	1 907	1 907	22 884	21 565	22 600
Vote 2 - Manager: Corporate Services		1 252	1 252	1 252	1 252	1 252	1 252	1 252	1 252	1 252	1 252	1 252	1 252	15 025	14 099	14 486
Vote 3 - Manager: Economic Development		1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	1 430	17 166	15 757	16 622
Vote 4 - Manager: Environmental Health		878	878	878	878	878	878	878	878	878	878	878	878	10 540	11 056	11 645
Vote 5 - Manager: Finance		571	571	571	571	571	571	571	571	571	571	571	571	6 850	7 511	7 798
Vote 6 - Manager: Roads		79	79	79	79	79	79	79	79	79	79	79	79	944	1 007	1 074
Total Expenditure by Vote		6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	73 409	70 996	74 227
Surplus/(Deficit) before assoc.		(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(105)	(3 461)	(3 910)	(4 975)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(105)	(3 461)	(3 910)	(4 975)

Table 41 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

DC6 Namakwa - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional																
Governance and administration		56 542	55 397	57 052	4 712	4 712	4 712	4 712	4 712	4 712	4 712	4 712	(150 143)	56 542	55 397	57 052
Executive and council		9 981	8 384	9 038	832	832	832	832	832	832	832	832	(24 076)	9 981	8 384	9 038
Finance and administration		46 561	47 013	48 014	3 880	3 880	3 880	3 880	3 880	3 880	3 880	3 880	(126 067)	46 561	47 013	48 014
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		2 887	2 691	2 705	224	224	224	224	224	224	224	224	(7 187)	2 887	2 691	2 705
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		459	263	277	22	22	22	22	22	22	22	22	(712)	459	263	277
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		2 428	2 428	2 428	202	202	202	202	202	202	202	202	(6 475)	2 428	2 428	2 428
Economic and environmental services		10 520	8 998	9 495	877	877	877	877	877	877	877	877	(25 506)	10 520	8 998	9 495
Planning and development		3 076	3 253	3 433	256	256	256	256	256	256	256	256	(8 737)	3 076	3 253	3 433
Road transport		944	1 007	1 074	79	79	79	79	79	79	79	79	(2 711)	944	1 007	1 074
Environmental protection		6 500	4 738	4 988	542	542	542	542	542	542	542	542	(14 059)	6 500	4 738	4 988
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		69 949	67 086	69 251	5 812	5 812	5 812	5 812	5 812	5 812	5 812	5 812	(182 837)	69 949	67 086	69 251
Expenditure - Functional																
Governance and administration		44 759	43 175	44 885	3 730	3 730	3 730	3 730	3 730	3 730	3 730	3 730	(117 900)	44 759	43 175	44 885
Executive and council		21 496	20 132	21 089	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	(55 551)	21 496	20 132	21 089
Finance and administration		21 875	21 610	22 284	1 823	1 823	1 823	1 823	1 823	1 823	1 823	1 823	(58 478)	21 875	21 610	22 284
Internal audit		1 388	1 433	1 512	116	116	116	116	116	116	116	116	(3 871)	1 388	1 433	1 512
Community and public safety		10 540	11 056	11 645	878	878	878	878	878	878	878	878	(29 728)	10 540	11 056	11 645
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		5 020	5 287	5 582	418	418	418	418	418	418	418	418	(14 216)	5 020	5 287	5 582
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		5 520	5 769	6 064	460	460	460	460	460	460	460	460	(15 513)	5 520	5 769	6 064
Economic and environmental services		16 064	14 621	15 434	1 339	1 339	1 339	1 339	1 339	1 339	1 339	1 339	(40 764)	16 064	14 621	15 434
Planning and development		8 619	8 876	9 372	718	718	718	718	718	718	718	718	(23 995)	8 619	8 876	9 372
Road transport		944	1 007	1 074	79	79	79	79	79	79	79	79	(2 711)	944	1 007	1 074
Environmental protection		6 500	4 738	4 988	542	542	542	542	542	542	542	542	(14 059)	6 500	4 738	4 988
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		2 047	2 143	2 262	171	171	171	171	171	171	171	171	(5 770)	2 047	2 143	2 262
Total Expenditure - Functional		73 409	70 996	74 227	6 117	6 117	6 117	6 117	6 117	6 117	6 117	6 117	(194 162)	73 409	70 996	74 227
Surplus/(Deficit) before assoc.		(3 461)	(3 910)	(4 975)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	11 326	(3 461)	(3 910)	(4 975)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(3 461)	(3 910)	(4 975)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	(305)	11 326	(3 461)	(3 910)	(4 975)

Table 42 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

DC6 Namakwa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																
Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure to be appropriated	1															
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Manager: Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	60	60	-	-
Vote 2 - Manager: Corporate Services		-	-	-	-	-	-	-	-	-	-	-	84	84	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		-	-	-	-	-	-	-	-	-	-	-	200	200	-	-
Vote 5 - Manager: Finance		-	-	-	-	-	-	-	-	-	-	-	15	15	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	359	359	-	-
Total Capital Expenditure	2	-	-	-	-	-	-	-	-	-	-	-	359	359	-	-

Table 43 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

DC6 Namakwa - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional	1															
Governance and administration		13	13	13	13	13	13	13	13	13	13	13	13	159	-	-
Executive and council		4	4	4	4	4	4	4	4	4	4	4	4	45	-	-
Finance and administration		8	8	8	8	8	8	8	8	8	8	8	8	99	-	-
Internal audit		1	1	1	1	1	1	1	1	1	1	1	1	15	-	-
Community and public safety		17	17	17	17	17	17	17	17	17	17	17	17	200	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		17	17	17	17	17	17	17	17	17	17	17	17	200	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	30	30	30	30	30	30	30	30	30	30	30	30	359	-	-
Funded by:																
National Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	200	200	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	200	200	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-	159	159	-	-
Total Capital Funding		-	-	-	-	-	-	-	-	-	-	-	359	359	-	-

Table 44 MBRR SA30 - Budgeted monthly cash flow

DC6 Namakwa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand															
Cash Receipts By Source													1		
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	93	93	93	93	93	93	93	93	93	93	93	93	1 119	1 178	1 242
Interest earned - external investments	233	233	233	233	233	233	233	233	233	233	233	233	2 800	2 800	2 800
Interest earned - outstanding debtors	5	5	5	5	5	5	5	5	5	5	5	5	60	60	60
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	540	540	540	540	540	540	540	540	540	540	540	540	6 475	4 713	4 962
Transfer receipts - operational	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	4 860	58 321	57 297	59 081
Other revenue	-	-	-	-	-	-	-	-	-	-	-	941	941	1 002	1 069
Cash Receipts by Source	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	6 672	69 715	67 050	69 213
Other Cash Flows by Source															
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	200	200	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	5 731	6 872	69 915	67 050	69 213
Cash Payments by Type															
Employee related costs	3 082	3 082	3 082	3 082	3 082	3 082	3 082	3 082	3 082	3 082	3 082	3 082	36 986	43 588	44 694
Remuneration of councillors	257	257	257	257	257	257	257	257	257	257	257	257	3 085	3 679	3 779
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	169	169	169
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	89	89	89	89	89	89	89	89	89	89	89	89	1 062	174	175
Contracted services	1 074	1 074	1 074	1 074	1 074	1 074	1 074	1 074	1 074	1 074	1 074	1 074	12 893	10 847	10 637
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	18	18	18	18	18	18	18	18	18	18	18	18	220	220	220
Other expenditure	932	932	932	932	932	932	932	932	932	932	932	932	11 180	12 601	12 623
Cash Payments by Type	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 621	65 595	71 278	72 297
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	359	359	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 452	5 980	65 954	71 278	72 297
NET INCREASE/(DECREASE) IN CASH HELD	279	279	279	279	279	279	279	279	279	279	279	892	3 961	(4 229)	(3 084)
Cash/cash equivalents at the month/year begin:	9 972	10 251	10 530	10 809	11 088	11 367	11 646	11 925	12 204	12 483	12 762	13 041	9 972	13 933	9 704
Cash/cash equivalents at the month/year end:	10 251	10 530	10 809	11 088	11 367	11 646	11 925	12 204	12 483	12 762	13 041	13 933	13 933	9 704	6 620

2.10 Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.11 Capital expenditure details

The following three tables present details of the Namakwa District Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 45 MBRR SA 34a - Capital expenditure on new assets by asset class

DC6 Namakwa - Supporting Table SA34a Capital expenditure on new assets by asset class										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Other assets		79	-	-	-	20	20	-	-	-
Operational Buildings		79	-	-	-	-	-	-	-	-
Municipal Offices		79	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	20	20	-	-	-
Staff Housing		-	-	-	-	20	20	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	2 820	200	200	215	-	-
Computer Equipment		-	-	-	2 820	200	200	215	-	-
Furniture and Office Equipment		94	5	116	-	38	38	105	-	-
Furniture and Office Equipment		94	5	116	-	38	38	105	-	-
Machinery and Equipment		120	280	-	-	295	295	39	-	-
Machinery and Equipment		120	280	-	-	295	295	39	-	-
Transport Assets		-	-	-	-	3 148	3 148	-	-	-
Transport Assets		-	-	-	-	3 148	3 148	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	293	284	116	2 820	3 700	3 700	359	-	-

Table 46 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

DC6 Namakwa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on reRenewal of exi	1	-	-	-	-	-	-	-	-	-

Table 47 MBRR SA34c - Repairs and maintenance expenditure by asset class

DC6 Namakwa - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Other assets		-	-	-	-	369	369	480	496	514
Operational Buildings		-	-	-	-	369	369	480	496	514
Municipal Offices		-	-	-	-	369	369	480	496	514
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	33	33	35	36	37
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	33	33	35	36	37
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	33	33	35	36	37
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	83	83	78	81	84
Computer Equipment		-	-	-	-	83	83	78	81	84
Furniture and Office Equipment		-	-	-	-	4	4	11	12	12
Furniture and Office Equipment		-	-	-	-	4	4	11	12	12
Machinery and Equipment		-	-	-	595	-	-	-	-	-
Machinery and Equipment		-	-	-	595	-	-	-	-	-
Transport Assets		-	-	-	-	39	39	60	62	64
Transport Assets		-	-	-	-	39	39	60	62	64
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	-	-	-	595	529	529	664	687	711

Table 48 MBRR SA35 - Future financial implications of the capital budget

DC6 Namakwa - Supporting Table SA35 Future financial implications of the capital budget								
Vote Description R thousand	Ref	2019/20 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Present value
Capital expenditure	1							
Vote 1 - Municipal Manager		60	-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		84	-	-	-	-	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		200	-	-	-	-	-	-
Vote 5 - Manager: Finance		15	-	-	-	-	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-
List entity summary if applicable								
Total Capital Expenditure		359	-	-	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Municipal Manager		-	-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		-	-	-	-	-	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		-	-	-	-	-	-	-
Vote 5 - Manager: Finance		-	-	-	-	-	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-
List entity summary if applicable								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-
List other revenues sources if applicable		-	-	-	-	-	-	-
List entity summary if applicable		-	-	-	-	-	-	-
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		359	-	-	-	-	-	-

Table 49 MBRR SA36 - Detailed capital budget per municipal vote

DC6 Namakwa - Supporting Table SA36 Detailed capital budget																	
R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude			2019/20 Medium Term Revenue & Expenditure Framework		
													Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality: List all capital projects grouped by Function																	
Vote 1 - Municipal Manager	Non-infrastructure>New>Computer Equipment	00303	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Computer Equipment			Administrative/Head Office			-	-	15	-	-
Vote 1 - Municipal Manager	Non-infrastructure>New>Computer Equipment	00500	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Computer Equipment			Administrative/Head Office			-	-	15	-	-
Vote 1 - Municipal Manager	Non-infrastructure>New>Computer Equipment	00303	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Computer Equipment			Administrative/Head Office			-	-	30	-	-
Vote 2 - Manager: Corporate Services	Non-infrastructure>New>Computer Equipment	00306	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Computer Equipment			Administrative/Head Office			-	-	25	-	-
Vote 2 - Manager: Corporate Services	Non-infrastructure>New>Machinery and Equipment	00304	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Machinery and Equipment			Administrative/Head Office			-	-	33	-	-
Vote 2 - Manager: Corporate Services	Non-infrastructure>New>Furniture and Office Equipment	00305	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Furniture and Office Equipment			Administrative/Head Office			-	-	5	-	-
Vote 2 - Manager: Corporate Services	Non-infrastructure>New>Computer Equipment	00002	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Computer Equipment			Administrative/Head Office			-	-	15	-	-
Vote 2 - Manager: Corporate Services	Non-infrastructure>New>Machinery and Equipment	00307	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Machinery and Equipment			Administrative/Head Office			-	-	6	-	-
Vote 4 - Manager: Environmental Health	Non-infrastructure>New>Computer Equipment	00309	New	An efficient, effective and development-oriented public service	Growth	Safe, Healthy and Secure Environment	Computer Equipment			Administrative/Head Office			-	-	100	-	-
Vote 4 - Manager: Environmental Health	Non-infrastructure>New>Furniture and Office Equipment	00308	New	An efficient, effective and development-oriented public service	Growth	Safe, Healthy and Secure Environment	Furniture and Office Equipment			Administrative/Head Office			-	-	100	-	-
Vote 5 - Manager: Finance	Non-infrastructure>New>Computer Equipment	00500	New	An efficient, effective and development-oriented public service	Growth	Good Governance	Computer Equipment			Administrative/Head Office			-	-	15	-	-
Parent Capital expenditure																	
													-	-	359	-	-

Table 50 MBRR SA37 - Projects delayed from previous financial year

DC6 Namakwa - Supporting Table SA37 Projects delayed from previous financial years																	
R thousand												Previous	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	target year to complete	Original Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality: <i>List all capital projects grouped by Function</i>																	
None																	
Entities: <i>List all capital projects grouped by Entity</i>																	
Entity Name <i>Project name</i>																	

2.12 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. *In year reporting*

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved. Monthly reporting is done in a Budget and Treasury Committee meeting held within 10 working days after month end.

2. *Budget and Treasury Office*

The Budget and Treasury Office has been established in accordance with the MFMA.

3. *Audit Committee*

An Audit Committee has been established and is fully functional.

4. *Service Delivery and Implementation Plan*

The detail SDBIP document is at a final stage and will be tabled to the Executive Mayor after approval of the 2019/20 MTREF in May 2019 directly aligned and informed by the 2019/20 MTREF.

5. *Annual Report*

Annual report is compiled in terms of the MFMA and National Treasury requirements.

6. *MFMA Training*

The MFMA training is in process. All relevant employees still requiring unit standards were included in the training.

2.13 Other supporting documents

Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance

DC6 Namakwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		-			-	-	-	-	-	-	-
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)					-	-	-	-	-	-	-
Net Property Rates		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	6										
Total Service charges - electricity revenue					-	-	-	-	-	-	-
less Revenue Foregone (in excess of 50 kwh per indigent household per month)					-	-	-	-	-	-	-
less Cost of Free Basis Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	6										
Total Service charges - water revenue					-	-	-	-	-	-	-
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)					-	-	-	-	-	-	-
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue											
Total Service charges - sanitation revenue					-	-	-	-	-	-	-
less Revenue Foregone (in excess of free sanitation service to indigent households)					-	-	-	-	-	-	-
less Cost of Free Basis Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	6										
Total refuse removal revenue					-	-	-	-	-	-	-
Total landfill revenue					-	-	-	-	-	-	-
less Revenue Foregone (in excess of one removal a week to indigent households)					-	-	-	-	-	-	-
less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-
Other Revenue by source											
Other Revenue		-	-	-	-	-	-	-	944	1 007	1 074
Sales of Goods and Rendering of Services		1 347	1 291	884	2 032	4 282	4 282	4 282	-	-	-
Total 'Other' Revenue	1	1 347	1 291	884	2 032	4 282	4 282	4 282	944	1 007	1 074
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	18 556	17 813	16 238	22 742	24 392	24 392	24 392	25 205	26 872	28 649
Pension and UIF Contributions		3 799	2 955	3 491	3 832	3 666	3 666	3 666	3 936	4 189	4 459
Medical Aid Contributions		-	-	2 424	3 771	3 338	3 338	3 338	4 023	4 291	4 576
Overtime		314	265	114	239	218	218	218	150	150	150
Performance Bonus		1 293	1 247	1 435	1 577	1 432	1 432	1 432	1 619	1 726	1 841
Motor Vehicle Allowance		2 512	2 259	2 554	2 448	2 692	2 692	2 692	2 448	2 448	2 448
Cellphone Allowance		-	-	154	135	173	173	173	172	172	172
Housing Allowances		573	547	610	620	580	580	580	620	620	620
Other benefits and allowances		-	-	257	458	125	125	125	300	307	314
Payments in lieu of leave		84	331	-	-	-	-	-	-	-	-
Long service awards		127	131	159	268	267	267	267	323	251	248
Post-retirement benefit obligations		433	359	3 087	2 223	2 223	2 223	2 223	1 735	1 428	1 445
sub-total	5	27 691	25 908	30 523	38 312	39 107	39 107	39 107	40 532	42 453	44 922
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	27 691	25 908	30 523	38 312	39 107	39 107	39 107	40 532	42 453	44 922
Contributions recognised - capital											
List contributions by contract		-	-	-	-	-	-	-	-	-	-
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		2 074	1 976	1 734	1 373	1 373	1 373	1 373	1 563	1 563	1 563
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		-	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE		-	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	10	2 074	1 976	1 734	1 373	1 373	1 373	1 373	1 563	1 563	1 563
Bulk purchases											
Electricity Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Water Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Total bulk purchases	1	-	-	-	-	-	-	-	-	-	-

**Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance
(Continued)**

DC6 Namakwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'												
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
R thousand												
Transfers and grants	1											
Cash transfers and grants		707	1 014	843	120	345	345	345	220	220	220	
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-	
Total transfers and grants		707	1 014	843	120	345	345	345	220	220	220	
Contracted services	1											
Outsourced Services		-	-	5 040	5 498	5 498	5 498	5 498	4 439	2 565	2 696	
Consultants and Professional Services		-	-	430	7 324	11 833	11 833	11 833	7 897	6 166	6 110	
Contractors		7 754	2 611	1 753	1 899	2 012	2 012	2 012	1 793	1 833	1 885	
sub-total		7 754	2 611	7 223	14 721	19 343	19 343	19 343	14 129	10 564	10 691	
Allocations to organs of state:												
Electricity		-	-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	
Sanitation		-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	
Total contracted services		7 754	2 611	7 223	14 721	19 343	19 343	19 343	14 129	10 564	10 691	
Other Expenditure By Type		3										
Collection costs			-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions			-	-	-	-	-	-	-	-	-	-
Consultant fees			-	-	-	-	-	-	-	-	-	-
Audit fees			2 213	2 188	2 100	2 350	2 309	2 309	2 309	2 429	2 512	2 600
General expenses	5 729		4 409	1 744	1 975	2 074	2 074	2 074	2 498	2 361	2 436	
Advertising, Publicity and Marketing	199		234	480	457	708	708	708	513	370	380	
Communication	405		407	453	484	432	432	432	422	437	452	
External Computer Service	-		-	550	611	612	612	612	614	635	657	
Insurance	323		317	201	218	363	363	363	-	-	-	
Inventory Consumed	332		305	826	-	-	-	-	-	-	-	
Management Fee	3 226		3 264	16	17	17	17	17	-	-	-	
Municipal Services	583		469	956	995	995	995	995	1 001	1 035	1 071	
Operating Leases	-		-	33	24	26	26	26	26	26	26	
Printing, Publications and Books	205		303	190	273	283	283	283	276	286	296	
Travel and Subsistence	2 888	2 831	3 102	4 349	4 897	4 897	4 897	4 473	4 612	4 771		
Total 'Other' Expenditure	1	16 103	14 728	10 651	11 753	12 715	12 715	12 715	12 251	12 273	12 687	
Repairs and Maintenance	8											
Employee related costs		-	-	-	-	-	-	-	-	-	-	
Other materials		-	-	-	28	28	28	28	-	-	-	
Contracted Services		-	-	-	567	501	501	501	664	687	711	
Other Expenditure		-	-	-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	9	-	-	-	595	529	529	529	664	687	711	

Table 52 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

DC6 Namakwa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)								
Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Manager: Corporate Services	Vote 3 - Manager: Economic Development	Vote 4 - Manager: Environment al Health	Vote 5 - Manager: Finance	Vote 6 - Manager: Roads	Total
R thousand	1							
Revenue By Source								
Property rates		–	–	–	–	–	–	–
Service charges - electricity revenue		–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–
Service charges - refuse revenue		–	–	–	–	–	–	–
Rental of facilities and equipment		–	1 124	–	–	–	–	1 124
Interest earned - external investments		–	–	–	–	2 800	–	2 800
Interest earned - outstanding debtors		–	–	–	–	60	–	60
Dividends received		–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–
Licences and permits		–	–	–	–	–	–	–
Agency services		–	–	6 500	–	–	–	6 500
Other revenue		–	–	–	–	–	944	944
Transfers and subsidies		5 450	5 840	3 076	2 687	41 268	–	58 321
Gains on disposal of PPE		–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		5 450	6 964	9 576	2 687	44 128	944	69 749
Expenditure By Type								
Employee related costs		9 193	8 558	7 986	8 929	4 922	944	40 532
Remuneration of councillors		3 381	–	–	–	–	–	3 381
Debt impairment		–	–	–	–	–	–	–
Depreciation & asset impairment		195	806	90	158	316	–	1 563
Finance charges		40	20	46	28	35	–	169
Bulk purchases		–	–	–	–	–	–	–
Other materials		1 037	83	18	8	19	–	1 164
Contracted services		2 922	2 336	7 310	312	1 250	–	14 129
Transfers and subsidies		120	–	100	–	–	–	220
Other expenditure		5 998	3 223	1 616	1 106	309	–	12 251
Loss on disposal of PPE		–	–	–	–	–	–	–
Total Expenditure		22 884	15 025	17 166	10 540	6 850	944	73 409
Surplus/(Deficit)		(17 434)	(8 061)	(7 590)	(7 854)	37 278	–	(3 661)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	200	–	–	200
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(17 434)	(8 061)	(7 590)	(7 654)	37 278	–	(3 461)

Table 53 MBRR Table SA3 – Supporting detail to Statement of Financial Position

DC6 Namakwa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Call investment deposits											
Call deposits		15 291	7 209	10 669	-	-	-	-	-	-	-
Other current investments		-	-	-	-	-	-	-	-	-	-
Total Call investment deposits	2	15 291	7 209	10 669	-	-	-	-	-	-	-
Consumer debtors											
Consumer debtors		5 171	24 307	-	-	640	640	640	673	710	748
Less: Provision for debt impairment		(5 171)	(24 307)	-	-	-	-	-	-	-	-
Total Consumer debtors	2	-	-	-	-	640	640	640	673	710	748
Debt impairment provision											
Balance at the beginning of the year		5 171	24 307	-	-	-	-	-	-	-	-
Contributions to the provision		-	-	-	-	-	-	-	-	-	-
Bad debts written off		-	-	-	-	-	-	-	-	-	-
Balance at end of year		5 171	24 307	-	-	-	-	-	-	-	-
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		8 925	7 439	6 042	27 512	28 392	27 536	27 536	27 895	27 895	27 895
Leases recognised as PPE		-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		-	-	-	17 904	17 904	18 980	18 980	20 490	22 001	23 511
Total Property, plant and equipment (PPE)	2	8 925	7 439	6 042	9 608	10 488	8 556	8 556	7 405	5 895	4 384
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		127	138	91	-	-	-	-	-	-	-
Total Current liabilities - Borrowing		127	138	91	-	-	-	-	-	-	-
Trade and other payables											
Trade Payables		9 658	5 514	5 446	1 937	1 937	1 937	1 937	7 457	6 148	6 294
Other creditors		-	-	-	-	-	-	-	-	-	-
Unspent conditional transfers		3 575	3 218	-	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	13 233	8 732	5 446	1 937	1 937	1 937	1 937	7 457	6 148	6 294
Non current liabilities - Borrowing											
Borrowing		-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		229	91	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		229	91	-	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits		18 101	16 906	16 325	19 158	19 158	19 158	19 158	19 731	19 021	19 057
List other major provision items											
Refuse landfill site rehabilitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Provisions - non-current		18 101	16 906	16 325	19 158	19 158	19 158	19 158	19 731	19 021	19 057
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		20 752	12 650	5 136	1 937	1 937	1 937	1 937	(3 851)	(7 312)	(11 222)
GRAP adjustments		-	-	(13 786)	-	-	(2 382)	(2 382)	-	-	-
Restated balance		20 752	12 650	(8 650)	1 937	1 937	(446)	(446)	(3 851)	(7 312)	(11 222)
Surplus/(Deficit)		(8 060)	(23 129)	3 212	(3 615)	(3 405)	(3 405)	(3 405)	(3 461)	(3 910)	(4 975)
Appropriations to Reserves		(55)	(11)	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	12 637	(10 489)	(5 438)	(1 679)	(1 469)	(3 851)	(3 851)	(7 312)	(11 222)	(16 197)
Reserves											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		13	11	61	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	13	11	61	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	12 650	(10 478)	(5 377)	(1 679)	(1 469)	(3 851)	(3 851)	(7 312)	(11 222)	(16 197)

Table 54 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

DC6 Namakwa - Supporting Table SA9 Social, economic and demographic statistics and assumptions												
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population				127	116	-	-	-	-	-	-	
Females aged 5 - 14				-	-	-	-	-	-	-	-	
Males aged 5 - 14				-	-	-	-	-	-	-	-	
Females aged 15 - 34				-	-	-	-	-	-	-	-	
Males aged 15 - 34				-	-	-	-	-	-	-	-	
Unemployment				-	-	-	-	-	-	-	-	
Monthly household income (no. of households)	1, 12											
No income				-	-	-	-	-	-	-	-	
R1 - R1 600				-	-	-	-	-	-	-	-	
R1 601 - R3 200				-	-	-	-	-	-	-	-	
R3 201 - R6 400				-	-	-	-	-	-	-	-	
R6 401 - R12 800				-	-	-	-	-	-	-	-	
R12 801 - R25 600				-	-	-	-	-	-	-	-	
R25 601 - R51 200				-	-	-	-	-	-	-	-	
R52 201 - R102 400				-	-	-	-	-	-	-	-	
R102 401 - R204 800				-	-	-	-	-	-	-	-	
R204 801 - R409 600				-	-	-	-	-	-	-	-	
R409 601 - R819 200				-	-	-	-	-	-	-	-	
> R819 200				-	-	-	-	-	-	-	-	
Poverty profiles (no. of households)												
< R2 060 per household per month	13			-	-	0.00	0.00	0.00	0.00	0.00	0.00	
Insert description	2			-	-	0.00	0.00	0.00	0.00	0.00	0.00	
Household/demographics (000)												
Number of people in municipal area				126 514	115 842	-	-	-	-	-	-	
Number of poor people in municipal area				-	-	-	-	-	-	-	-	
Number of households in municipal area				36 445	29 694	-	-	-	-	-	-	
Number of poor households in municipal area				-	-	-	-	-	-	-	-	
Definition of poor household (R per month)				-	-	-	-	-	-	-	-	
Housing statistics	3											
Formal				-	-	-	-	-	-	-	-	
Informal				-	-	-	-	-	-	-	-	
Total number of households				-	-	-	-	-	-	-	-	
Dwellings provided by municipality	4			-	-	-	-	-	-	-	-	
Dwellings provided by province/s				126 503	126 503	-	-	-	-	-	-	
Dwellings provided by private sector	5			-	-	-	-	-	-	-	-	
Total new housing dwellings				-	126 503	126 503	-	-	-	-	-	
Economic	6											
Inflation/inflation outlook (CPIX)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Interest rate - borrowing						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Interest rate - investment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Remuneration increases						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Consumption growth (electricity)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Consumption growth (water)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Collection rates	7											
Property tax/service charges						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Rental of facilities & equipment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Interest - external investments						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Interest - debtors						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Revenue from agency services						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Table 55 MBRR SA32 – List of external mechanisms

DC6 Namakwa - Supporting Table SA32 List of external mechanisms					
External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2
Name of organisation		Number			R thousand
Business Connexions	Yrs	Unspecified	Financial system	3 months notice	
Nashua	Yrs	3	Providing photocopier machines	31 January 2022	
URB	Yrs	1	Providing telephone system	6 months notice	
Mubesko Africa	Yrs	1	Providing financial support	30 June 2019	

2.14 Municipal manager's quality certificate

I ...**CHRISTIAAN FORTUIN**....., Municipal Manager of Namakwa District Municipality, hereby certify that the final annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____**CHRISTIAAN FORTUIN**_____

Municipal manager of Namakwa District Municipality (DC6)



Signature

Date __**31 May 2019**_____